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July 17, 2026

Electro-Alfa International

Built for electrification, priced for delivery

* We initiate coverage of Electro-Alfa International with a NEUTRAL recommendation and a target price of RON 14.5/share, implying 0.8% upside versus the last close. EAI offers scarce listed exposure to a Romanian electrical-equipment and infrastructure platform positioned at the heart of the electrification cycle: LV/MV equipment, shelters, EPC execution, renewables, storage integration and, post-IPO, railway and nuclear-related infrastructure through Spiact and Elcomex. The investment story is attractive - high growth, solid standalone margins, an enlarged 2026 consolidation perimeter and a sizeable post-IPO cash buffer for organic capex, BESS optionality and further M&A. However, after a share-price increase of around 60% versus the institutional IPO price, the market appears to have already capitalised much of the visible scale-up from the announced acquisitions and 2026 consolidation perimeter. At the current share price, we see the valuation as broadly fair, with further upside likely requiring fresh catalysts from IPO cash deployment.

* **2026: stronger growth, lower consolidated margin.** We forecast consolidated net turnover to rise to RON 1.15b in 2026, driven by double-digit growth in the core standalone business and the phased consolidation of Spiact from Q2'26 and Elcomex from Q3'26. Core EAI margins should remain close to management's 13% guidance, while the consolidated EBITDA margin normalises to 12.8%, mainly due to the wider perimeter and Elcomex's still-recovering margin profile.

* **Growth is driven by scale.** We forecast consolidated revenues to increase from RON 832m in 2025 to RON 1.98b by 2030, implying a 18.9% CAGR, while EBITDA rises from RON 125.5m to RON 239.4m, a 13.8% CAGR. EAI standalone remains the main growth engine, Spiact adds backlog-driven railway exposure, while Elcomex is modelled as a cautious turnaround rather than a rapid recovery story.

* **IPO plan in motion - from equipment producer to infrastructure platform.** The Group raised RON 544.3m in net IPO proceeds and has already committed around EUR 21m to the first wave of announced transactions, including Spiact, Elcomex, Electro Alfa CM and Solar Technologies Consulting. These assets broaden EAI from electrical equipment and EPC into railway signalling, nuclear-qualified electrical works, complementary metal components for electrical equipment, and battery storage, reinforcing the industrial platform rather than diluting it.

* **Capital deployment is the next catalyst bucket.** Public 2026 capex guidance is modest, at EUR 3.6m, but we expect investment activity to pick up from 2027 as the enlarged perimeter stabilises. Our estimates assume around EUR 72m of operating capex and announced M&A over 2026-2030, while the Group also plans to develop a 52MW BESS project with an estimated development value of around EUR 25m. This remains a flexible capital-allocation envelope, not company guidance.

* **BESS and financial investments add optionality.** The BESS project is treated as strategic optionality rather than de-risked operating value, giving EAI exposure to storage and grid-flexibility upside without embedding it in the base operating DCF. Beyond the consolidated perimeter, the SGB Electro-Alfa JV adds exposure to distribution transformers, while Electro Alfa CM strengthens vertical integration through metal enclosures and cabinets used in electrical equipment.

* **Dividend optionality.** We model the minimum 30% payout from 2026 earnings onwards, in line with the Group's dividend policy. However, the sizeable post-IPO cash position could support higher distributions over time if deployment into M&A, organic expansion or BESS lags.

* **Valuation.** EAI trades at a one-digit discount to the selected peer median on 2026 EV/EBITDA, but this discount is transitional, as 2026 still reflects only partial consolidation of Spiact and Elcomex. On 2027 metrics, when the announced acquisitions should be reflected for a full year, EAI trades slightly above peers, leaving the shares broadly fairly priced. With the share price up around 60% versus the institutional IPO price, further upside should depend on new catalysts from IPO cash deployment - accretive M&A, faster organic expansion or BESS value crystallisation.

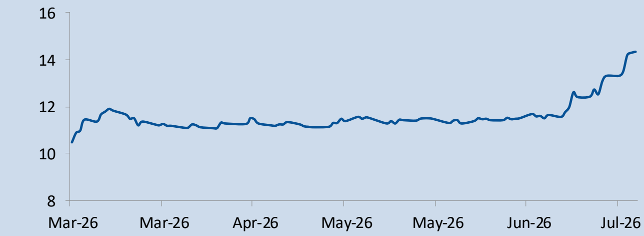
* **Risks.** Main risks relate to integration, project execution, working-capital volatility and capital-allocation discipline.

Romania, Electrical Engineering and Contracting

NEUTRAL

EAI RO				
Last close	**RON 14.3**			
Target price	RON 14.5			
Upside/downside	0.8%			
52 - Week range	RON 10.3	RON 14.3		
Market cap (m)	RON 2,704		EUR 516	

	2025A	**2026E**	**2027E**	**2028E**
Multiples @ market price				
EV/EBITDA	17.9	15.3	12.7	10.8
P/E	27.1	24.4	20.2	16.1
DIVY	0.0%	1.2%	1.4%	1.6%
P&L summary (RONm)				
Net turnover	**832**	**1,151**	**1,432**	**1,670**
Electro Alfa International	832	1,020	1,166	1,314
Elcomex		42	120	232
Spiact		88	146	124
Other operating income	2	8	9	10
OPEX	**(719)**	**(1,022)**	**(1,281)**	**(1,494)**
Employees benefits	(80)	(157)	(209)	(247)
Raw materials & merchandise	(397)	(516)	(617)	(720)
Third parties	(202)	(297)	(388)	(445)
D&A	(11)	(12)	(16)	(22)
Other operating expenses	(29)	(40)	(52)	(61)
EBITDA	**126**	**147**	**177**	**207**
Electro-Alfa International	126	135	155	173
Elcomex		2	5	22
Spiact		10	17	12
EBIT	**115**	**135**	**161**	**186**
Net financial result	(2)	(5)	(1)	4
EBT	113	130	160	190
Net profit	**100**	**115**	**140**	**172**
Net profit a.m.	**100**	**111**	**134**	**168**
Balance Sheet summary (RONm)				
Total assets	695	1,428	1,604	1,793
Net debt (cash)	31	(592)	(606)	(682)
Total liabilities	485	529	598	654
Shareholders' equity a.m.	210	869	971	1,102
Margins, Ratios & Growth				
EBITDA margin	15.1%	12.8%	12.3%	12.4%
EBIT margin	13.8%	11.7%	11.2%	11.1%
Net profit a.m.margin	12.0%	9.6%	9.4%	10.1%
Net debt/EBITDA	0.2x	-4.0x	-3.4x	-3.3x
Net Debt/Equity	0.1x	-0.7x	-0.6x	-0.6x
Payout ratio	0%	30%	30%	30%
Net turnover growth	28%	38%	24%	17%
EBITDA growth	62%	17%	20%	17%
Net profit a.m. growth	74%	11%	21%	25%



Price performance	**1m**	**3m**	**12m**	**YTD**
	26%	14%	n.a.	n.a.

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Investment case

We initiate coverage of Electro-Alfa International with a NEUTRAL recommendation and a target price of RON 14.5/share, implying 0.8% upside versus the last close. EAI offers scarce listed exposure to a Romanian electrical-equipment and infrastructure platform positioned at the heart of the electrification cycle: LV/MV equipment, shelters, EPC execution, renewables, storage integration and, post-IPO, railway and nuclear-related infrastructure through Spiact and Elcomex. The investment story is attractive - high growth, solid standalone margins, an enlarged 2026 consolidation perimeter and a sizeable post-IPO cash buffer for organic capex, BESS optionality and further M&A. However, after a share-price increase of around 60% versus the institutional IPO price, the market appears to have already capitalised much of the visible scale-up from the announced acquisitions and 2026 consolidation perimeter. At the current share price, we see the valuation as broadly fair, with further upside likely requiring fresh catalysts from IPO cash deployment.

2026 forecast - stronger growth, but lower consolidated margin. Electro-Alfa enters 2026 from a strong base, after revenues increased 28.3% Y/Y to RON 832m in 2025 and EBITDA reached RON 125.5m, implying a 15.1% margin. We forecast consolidated net turnover to rise to RON 1.15b in 2026, driven by continued double-digit growth in the core standalone business and by the phased consolidation of Spiact Craiova from Q2 2026 and Elcomex IEA from Q3 2026. In the core business, both production and services should remain supported by strong order momentum, grid-related demand and ongoing EPC execution, with EBITDA margin close to management's 13% guidance. At consolidated level, EBITDA is forecast at RON 147.5m, above management's RON 133m budget, mainly due to our higher sales assumption. The margin is expected to normalise to 12.8%, as consolidation adds scale but also brings a different margin mix, particularly through Elcomex, which remains in recovery.

Scale-up supported by strong fundamentals. On our consolidated forecasts, Electro-Alfa International's revenues increase from RON 832m in 2025 to RON 1.98b by 2030, implying a 19% CAGR and a 2.4x increase versus 2025. EBITDA is forecast to rise from RON 125.5m to RON 239.4m over the same period, implying a 13.8% CAGR, with the EBITDA margin stabilising slightly above 12% after the unusually strong 2025 level. We view these assumptions as constructive but not aggressive. EAI standalone remains the main growth engine, with EBITDA margin maintained close to management's 13% guidance. Spiact contributes visible backlog-driven growth, while Elcomex is modelled cautiously, with margins anchored around pre-insolvency averages and a gradual recovery rather than a rapid turnaround. The forecast therefore relies primarily on scale, consolidation and execution, not on material margin expansion.

IPO plan in motion - from equipment producer to infrastructure platform. Electro-Alfa International has already started to turn the IPO equity story into execution. The Group raised RON 544.3m in net proceeds and moved quickly on the first wave of announced transactions, committing around EUR 21m to Spiact Craiova, Elcomex IEA, Electro Alfa CM and Solar Technologies Consulting. This includes EUR 5.1m for the 51% stake in Spiact, EUR 10m for Elcomex, EUR 4.0m for the 33% stake in Electro Alfa CM and EUR

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1.85m for Solar Technologies Consulting. Together, these assets extend EAI beyond its historical manufacturing and EPC base into railway signalling, nuclear-qualified electrical works, complementary metal components for electrical equipment and battery storage, while increasing scale, technical credentials and access to more complex infrastructure tenders.

The strategic direction is coherent because the pieces added after the IPO reinforce the same platform rather than dilute it. Spiact adds a regulated railway niche with high entry barriers, Elcomex opens the door to nuclear and complex high-voltage works, Electro Alfa CM strengthens vertical integration in metal components, while Alfa New Protocol Engineering and Alfa Factory Software support the build-up of engineering, integration and digital capabilities. The result is a broader one-stop-shop platform, positioned to address larger and more technical projects across grids, renewables, storage, rail, nuclear, industrial infrastructure and donor-funded international tenders.

Capital deployment is the next catalyst bucket. The IPO proceeds give Electro-Alfa International a balance-sheet buffer that is unusual for a Romanian mid-cap industrial company. Public 2026 capex guidance remains modest, at EUR 3.6m, mainly for maintenance and replacement, but we expect investment activity to pick up from 2027 as the enlarged perimeter stabilises. Our estimates assume around EUR 72m of operating capex and announced M&A over 2026-2030, directed mainly towards MV capacity, automation, R&D, maintenance and upgrades at Spiact and Elcomex. Additionally, the Group plans to develop a 52MW BESS project with an estimated development value of around EUR 25m. This remains a flexible capital-allocation envelope, not company guidance. In our view, the next leg of upside would likely require new evidence that IPO proceeds can be deployed into accretive M&A, visible organic capacity expansion, BESS monetisation or higher shareholder returns.

Industrial levers beyond consolidation perimeter. Beyond the consolidated perimeter, Electro-Alfa International has two useful industrial levers that can add value without inflating the operating base. The SGB Electro-Alfa JV is the more important one, giving EAI exposure to distribution transformers, a grid-equipment segment benefiting directly from network reinforcement, renewables integration and replacement demand. It also makes the Group’s offer more complete, by linking transformers with EAI’s own MV equipment, compact substations and shelters. Electro Alfa CM adds a smaller but logical vertical-integration angle, through sheet-metal components, enclosures and cabinets used in electrical equipment.

Dividend optionality, but we model the minimum. EAI’s dividend policy targets the distribution of at least 30% of annual consolidated IFRS net profit, while preserving financial flexibility for growth investments, acquisitions, R&D, working-capital needs and expansion into new markets. In our model, we take a cautious approach and assume a 30% payout ratio from 2026 earnings onwards, consistent with the minimum level stated in the policy and in the absence of more specific payout guidance. In our view, the Group’s generous post-IPO cash position could justify a higher payout over time, particularly if no sizeable M&A opportunities or large-scale strategic investments materialise. For now, however, we do not capitalise this upside in the base case.

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Valuation. At the current market price, EAI trades at a one-digit discount to the selected peer median on 2026 EV/EBITDA, but this discount is transitional, as 2026 still reflects only partial consolidation of Spiact and Elcomex. We view 2027 as the cleaner valuation year, when the announced acquisitions should be reflected for a full year and the Group's sustainable margin profile should be easier to assess. On 2027 metrics, EAI already trades slightly above peers, suggesting that the visible scale-up is largely priced in.

This supports our **NEUTRAL** stance. With the share price up around **60%** versus the institutional IPO price, EAI's scarcity value and visible consolidation story have already been recognised by the market. The next leg of upside should therefore depend on new catalysts from IPO cash deployment - accretive M&A, faster organic expansion or BESS value crystallisation - rather than on the market simply rewarding the acquisitions already announced.

Key risks. The main risks relate to execution, integration and capital allocation. Spiact and Elcomex broaden the platform, but could dilute margins if contract execution, procurement discipline or project conversion disappoint. The enlarged exposure to EPC and public-sector projects may also increase volatility in award timing, revenue recognition and working capital.

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Company overview

Business overview

Electro-Alfa International is a vertically integrated Romanian electrical-engineering platform, combining LV/MV equipment manufacturing with EPC execution.

Electro-Alfa International (the "Company" or the "Group" or "EAI") is a fully Romanian-owned industrial group with over 30 years of experience in the design, engineering and manufacturing of customised electrical infrastructure.

Established in 1994 and headquartered in Botoșani, the Group has evolved into a leading vertically integrated electrical-engineering platform, combining factory production with turnkey project delivery.

The Company designs and manufactures customised low - and medium-voltage switchgears, control panels, compact transformer substations, E-Houses/shelters and metallic cabinets, and packages these products into end-to-end EPC deliveries that include engineering, procurement, construction and post-commissioning support. The integrated model allows Electro-Alfa to factory-assemble, test and pre-wire complex electrical systems, shortening on-site works and reducing commissioning risk for clients across energy, industry and infrastructure sectors.

The Company operates a nationwide presence, with 8 commercial and technical branches in Botoșani, Timișoara, Cluj, Constanța, Craiova, Iași, București and Alexandria, supporting proximity to utilities, EPC contractors and industrial clients.

The Group's manufacturing platform comprises three production facilities totalling over 25k sqm of industrial area. The low-voltage equipment plant covers 2k sqm of production space, while the medium-voltage facility spans 10k sqm across two interconnected production halls on a larger industrial site. Transformer production is carried out by SGB-ALFA, the joint venture with SGB-SMIT, operating in facilities leased from Electro-Alfa International. The site offers around 7k sqm of production and storage space and an additional 1k sqm for offices and technical functions.

The products set spans electrical distribution switchboards and control centres, primary and secondary MV distribution cells, compact transformer substations (dry and oil type, 100–2,500 kVA) and specialist cabinets for 110/20 kV transformer stations, enabling safe power distribution and control of industrial equipment. These systems are engineered to operator and project specifications, recognising that distribution substations and protection settings differ by utility and by project and therefore require tailored designs rather than off-the-shelf solutions. The Group also supplies prefabricated metal shelters and modular E-Houses that provide a controlled environment for equipment, easing transport, installation and site permitting.

The Group serves energy, industrial, transport, construction and irrigation end-markets, with growing exposure to renewables and storage.

Electro-Alfa International **serves a diversified set of end-markets**. The energy sector is a core growth pillar, with activity concentrated on power distribution infrastructure and grid-connection works, complemented by selective transmission-adjacent projects. The Group is also active in fast-growing energy-transition segments, including renewable-generation connection, grid modernisation and energy-storage projects.

Beyond energy, the Group delivers customised electrical systems for industrial users requiring certified, high-reliability installations, such as oil & gas, heavy industry,

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manufacturing and large-scale industrial plants. Electro-Alfa also provides specialist electrical infrastructure for transport systems - from metro and tram networks to mainline rail infrastructure - and contributes to the digitalisation of highways, supplying automation and control systems for monitoring, communication and traffic-management equipment. In the built environment, the Group works with civil-construction and general-contracting companies, delivering the core electrical infrastructure for new industrial sites, logistics platforms and large commercial developments. In agriculture, the Company supplies electrical and automation solutions for large irrigation systems operated by ANIF, powering pumping stations and water-distribution facilities.

Domestically, EAI holds around one-third of Romania's electrical-equipment manufacturing market.

Domestically, Electro-Alfa International is estimated to hold roughly one-third (32.5%) of the electrical equipment manufacturing market, a segment valued at about RON 2b in 2024.

Exports have increased materially over time, supporting the Group's diversification beyond the Romanian market.

Internationally, the Company has expanded its reach through commercial collaborations across Western Europe, North Africa and the Middle East, enabling the export of its equipment and EPC solutions into new markets. In 2020, exports accounted for around 10% of sales, but by 2024, the export share had increased to around 22% while in 2025 it stood at around 15%, reflecting the Group's strategy to diversify beyond the domestic market. Main export markets are: Western Europe, North Africa and Middle East.

Strategic partnerships with Siemens Energy, Hitachi Energy, Schneider Electric, ABB and SGB-SMIT support product depth and technical credibility.

Electro-Alfa delivers to more than 500 partners worldwide and maintains strategic technology partnerships with **Siemens Energy**, **Hitachi Energy**, **Schneider Electric** and **ABB**. These partnerships give the Company access to global technical standards, product certification processes and jointly developed solutions for advanced protection, automation and digital monitoring, while securing access to innovation roadmaps and new product platforms.

Over time, the Group has built an operational ecosystem capable of executing projects at industrial scale while retaining the flexibility to adapt solutions to individual client needs. The company's transformation accelerated through three key development phases: expansion into medium-voltage systems in the mid-2000s, diversification into EPC contracting and modular shelters during the 2010s, and strategic alignment with international technology partners in the 2020s.

The commissioning of the SGB-SMIT transformer unit in 2025 strengthened the company's product depth and opened access to larger substation and transformer tenders, increasing export potential. **The forthcoming integration of Elcomex IEA and Spiact Craiova enhances execution capacity** by bringing additional EPC resources and licences, on-site delivery teams and decades long experience in complex nuclear and railway works. In addition, the 33% stake in Electro Alfa CM adds a complementary activity in metal enclosures and cabinets used in electrical equipment. These steps consolidate Electro-Alfa's capability to design, produce and execute complete energy and industrial systems and enhances its ability to compete for larger and more complex projects in Romania and other markets.

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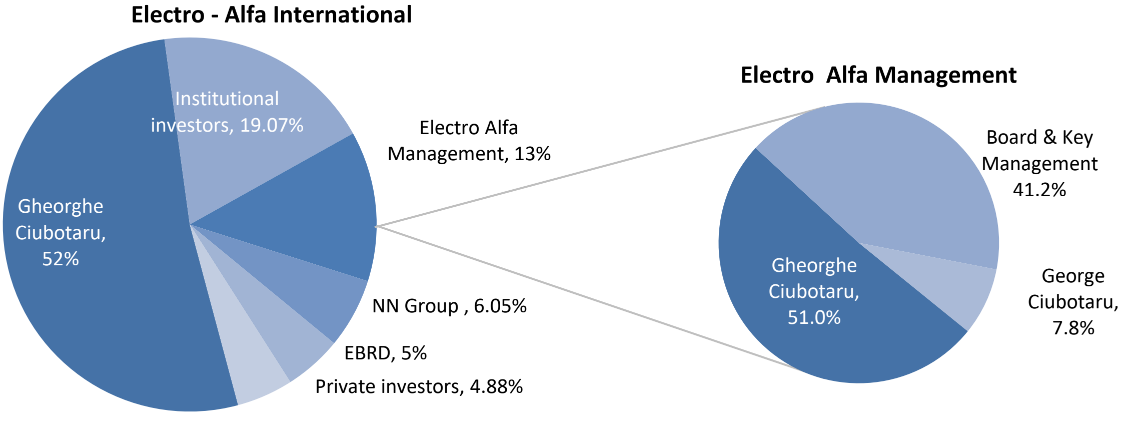
Shareholding structure

Following its February 2026 IPO and 3 March 2026 listing on the Bucharest Stock Exchange's Regulated Market, Premium Tier, Electro-Alfa International remains controlled by its founder, **Mr Gheorghe Ciubotaru**. The IPO increased the Company's share capital to **RON 47.1m**, divided into **188.5m ordinary shares**, and generated net proceeds of **RON 544.3m**, intended to support EAI's medium-term growth strategy.

As of 31 March 2026, Mr Ciubotaru held **52%** of EAI directly, **Electro Alfa Management S.R.L.** held **13%**, while the remaining **35%** was held by other listed shareholders, following the issuance of new shares in the IPO. Electro Alfa Management S.R.L. serves as the management and employee alignment vehicle. According to the prospectus, it was held **51.0%** by Mr Gheorghe Ciubotaru and **7.8%** by his son, George Ciubotaru, with the remaining **41.2%** held by Board members, management and other key personnel, including CFO Constantin Todi.

The listing therefore introduced a meaningful public free float while preserving founder control, a structure that supports strategic continuity while increasing access to capital markets, public-market visibility and governance discipline.

Electro-Alfa International: Shareholding structure

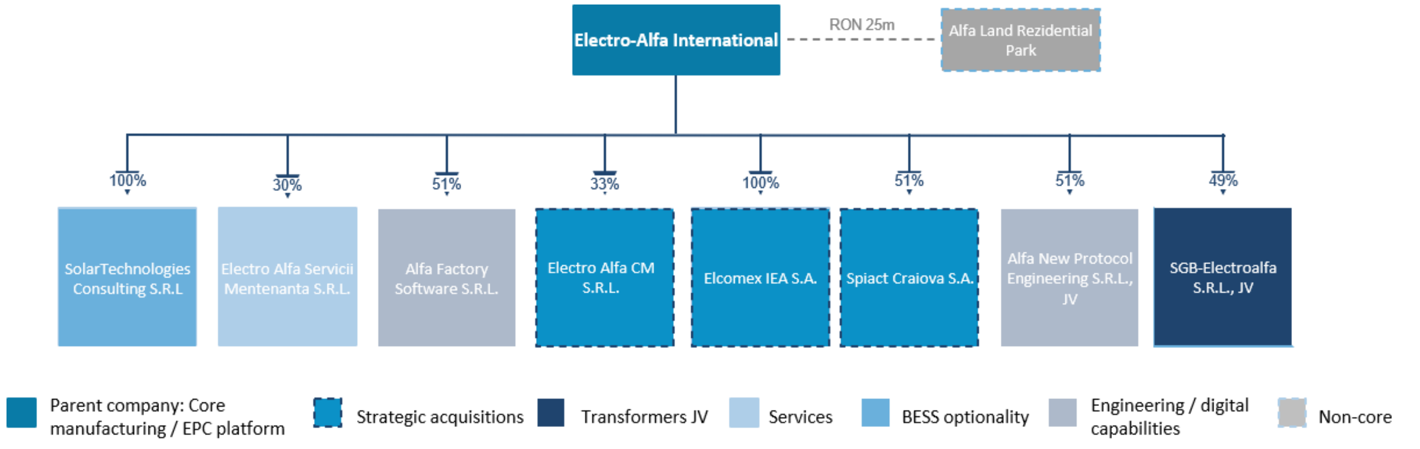


Source: Electro-Alfa International

Group structure

The Group, after the completion of the targeted acquisitions, comprises the following entities and participations:

Electro-Alfa International: Group structure post acquisitions



Source: Electro-Alfa International

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SGB Electro- Alfa JV. A major strategic milestone was reached in July 2026, when Electro-Alfa International and SGB-SMIT Group officially inaugurated the **SGB-ALFA transformer manufacturing facility** in Botosani, following an investment of approximately **EUR 20m**. The facility had started production in July 2025 and had already manufactured more than **1,300 transformers** for customers across European markets by the time of the inauguration. It currently employs around **100 people**, with the workforce expected to exceed **200 employees by 2027**.

The facility manufactures **oil-immersed distribution transformers** in the **50 kVA to 1,000 kVA** range, serving electricity distribution operators and industrial customers in Romania and across Europe. The investment includes modern production facilities, testing laboratories and logistics infrastructure, positioning SGB-ALFA to address growing demand for equipment used in grid reinforcement, renewable-energy integration and replacement cycles. Strategically, the partnership combines SGB-SMIT Group's transformer engineering and design expertise with Electro-Alfa's local manufacturing capabilities and market access.

For Electro-Alfa International, the JV extends the Group's product portfolio into a higher-value segment of the grid-equipment market and strengthens its ability to offer integrated power-distribution solutions. Transformers produced by SGB-ALFA can be combined with Electro-Alfa's own medium-voltage switchgear, compact substations and shelters, improving the Group's commercial proposition for EPC projects, distribution-network investments and export clients. The partnership also enhances Electro-Alfa's technological credibility and European market positioning, while giving the Group transformer exposure without fully consolidating the capex intensity of the business.

Headquartered in Germany, **SGB-SMIT Group** is one of Europe's leading transformer manufacturers, with a global production footprint across Europe, Asia and North America. The group produces power and distribution transformers ranging from **30 kVA to 1,200 MVA** and serves grid operators, industrial customers, renewable-energy projects and critical infrastructure clients worldwide.

Alfa Factory Software. Launched in January 2025, Alfa Factory Software operates as a dedicated vehicle for industrial digitalisation and process optimisation. The company is jointly owned by Electro-Alfa (51%) and KIM - Keep It Mobile (49%), under a strategic partnership focused on developing tailored digital solutions for manufacturing operations, including production management, process digitisation and AI-driven automation. With an initial investment of approximately RON 1m (c. EUR 200k), the company develops software solutions for production management, operational control and AI-driven automation, supporting the Group's transition towards Industry 4.0 practices. Strategically, the creation of Alfa Factory Software is aligned with Electro-Alfa's growth agenda, which places emphasis on technical efficiency, continuous improvement and technological autonomy.

Electro Alfa Servicii Mentenanta. Electro-Alfa International holds a 30% minority stake in Electro Alfa Servicii Mentenanta, a specialised service company that provides maintenance, inspection and on-site technical interventions for electrical equipment

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and installed systems. Through this partnership, the Group ensures lifecycle support for the equipment it delivers — from commissioning to preventive and corrective maintenance — strengthening its EPC offering and securing recurring service revenues.

Solar Technologies Consulting. The group holds 100% of Solar Technologies Consulting S.R.L., a project company acquired in April 2026 for **EUR 1.85m,** plus EUR 0.2m receivable assignment, to support the Group's entry into large-scale battery energy storage. The company holds the rights and authorisations required for the development of a BESS facility with an installed capacity of approximately 52MW, located in Selimbar, Sibiu County. The estimated development value of the project is approximately EUR 25m, with works expected to take around 12 months from the completion of the design phase. Following development, Electro-Alfa intends to assess both operating the facility and monetising it through a potential sale to investors active in the energy sector. Strategically, the project broadens the Group's exposure to energy-transition infrastructure and adds optionality in a market where storage is becoming increasingly relevant for grid flexibility, balancing and renewable integration.

Alfa New Protocol Engineering S.R.L. Established in June 2026, Alfa New Protocol Engineering is a dedicated engineering joint venture created together with New Protocol Group, with EAI holding a 51% stake and New Protocol Group the remaining 49%. The company is designed as a specialised platform for engineering, technical integration and project management for complex energy infrastructure, rather than as an administrative or support vehicle. Its purpose is to build in-house design capabilities with direct responsibility for revenue generation, technical delivery and operational growth. Through the partnership, Electro-Alfa International provides the development framework and resources required for scaling, while New Protocol Group contributes executive leadership, technical and operational expertise and execution capacity. Strategically, the JV supports Electro-Alfa's ambition to become a one-stop-shop provider by expanding its service portfolio and strengthening its ability to deliver integrated infrastructure solutions.

Non-core real estate participation - Alfa Land Rezidential Park. Electro-Alfa previously had an exposure to a non-core residential and commercial real-estate project in Botosani, developed together with Alfa Land Rezidential Park, an entity controlled by the majority shareholder, and other partners. In October 2025, the Group exited the joint development arrangement and transferred all rights and obligations to Alfa Land Rezidential Park. Following the exit, the former project receivable was reclassified as a loan to an affiliated entity. The loan bears a fixed **8%** annual interest rate, is repayable in equal monthly instalments over 24 months after a 12-month grace period, and is secured by a second-rank mortgage over the project land and constructions. At the date of the 6M interim financial statements, the receivable from Alfa Land Rezidential Park stood at **RON 22.2m**.

Post-IPO, Electro-Alfa has started to execute the strategic expansion plan presented to investors, completing or advancing three strategic acquisitions with a combined economic value of EUR 19m, including the agreed acquisition prices for Spiact and

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Electro Alfa CM and the Elcomex acquisition together with the related shareholder-loan assumption.

Elcomex gives EAI access to nuclear-qualified electrical EPC capabilities.

Elcomex IEA ("Elcomex"). Elcomex is a specialised electrical EPC contractor with more than 30 years of experience in the design, execution and maintenance of complex electrical installations. Founded in 1994 and headquartered in Cernavoda, the company was the first private Romanian contractor involved in the construction, commissioning and maintenance of Cernavoda Unit 1. Its activity covers turnkey electrical projects from 0.4 kV to 400 kV, including nuclear and conventional power plants, high-voltage substations and transmission lines, renewable parks, metro infrastructure and civil and industrial construction.

The company has long-standing references with Nuclearelectrica and other strategic infrastructure clients.

Its authorisations and certifications create higher entry barriers than standard EPC works.

Strategically, Elcomex gives Electro-Alfa Internatuional access to a more qualification-intensive part of the energy-infrastructure market. The company has historically delivered projects for Nuclearelectrica, Transelectrica, Enel, Rompetrol, Metrorex and other reference clients, with a meaningful share of its activity linked to Nuclearelectrica, either directly or through consortia and subcontracting arrangements. Elcomex holds the authorisations required for nuclear-sector works, including CNCAN authorisation for controlled nuclear areas, ISO 19443 nuclear-quality certification and ANRE licences covering low-, medium- and high-voltage electrical works.

The acquisition should be viewed as a turnaround asset, with recovery dependent on contract conversion and execution discipline.

The acquisition also needs to be read as a turnaround. Elcomex entered insolvency in April 2017, following historical intra-group transactions, weaker margins on EPC projects and reduced access to bank financing, and exited the process on 1 November 2023 after implementing its reorganisation plan. In 2025, Electro Alfa Servicii Inginerie acquired Elcomex through a judicial auction and Electro-Alfa International subsequently agreed to acquire the company for **EUR 10m**, based on an independent valuation, with transfer expected in **Q3 2026**.

As of 30 June 2025, Elcomex employed **272 specialised staff** and held signed contracts totalling **RON 28.7m**, with execution extending into 2026. Current projects include works at Nuclearelectrica Units 1 and 2, electrical and automation works for Bucharest metro lines M1 and M3, renewable-energy infrastructure at Corugea Wind Park, the 400 kV Stupina electrical substation and grid-connection works to Transelectrica's network.

Elcomex adds nuclear-qualified execution capacity, high-voltage EPC expertise and access to complex energy-infrastructure projects that would be difficult to build organically in the short term. At the same time, we treat the recovery cautiously in our forecasts, as the company's contribution depends on contract conversion, execution discipline and the pace at which EAI can rebuild Elcomex's operating scale and margins post-insolvency.

Spiact gives EAI access to a regulated railway-infrastructure niche.

Spiact Craiova ("Spiact"). Spiact Craiova is a specialised railway-infrastructure company with more than 60 years of experience in signalling, centralisation, remote-control and traffic-supervision systems. Its products and services support rail-traffic monitoring, control, signalling and telecommunications, with equipment designed to comply with European safety and interoperability standards. While the railway sector remains its

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core market, Spiact also has the technical capability to deliver selected electrical and control-system works for industrial and broader transport infrastructure projects.

The business is focused on signalling, centralisation, remote-control and rail-traffic supervision systems.

AFER, ANRE and railway-specific certifications create higher entry barriers.

Strategically, Spiact gives Electro-Alfa International access to a regulated infrastructure niche with high entry barriers. Market participation requires specific authorisations and certifications, including approvals from the Romanian Railway Authority (AFER), ANRE licences and relevant ISO certifications, while equipment and services must comply with CFR technical norms, European TSI CCS requirements and functional-safety standards. This makes the business less commoditised than standard EPC works and more dependent on technical credentials, local authorisations and execution references.

The acquisition adds backlog visibility and broadens EAI beyond energy and standard EPC execution.

EAI acquired a **51% stake** in Spiact from Electro Alfa Servicii Inginerie, with the transaction completed at the beginning of **Q2 2026**. The agreed consideration was **EUR 5.1m**, based on an independent valuation. The original MoU also envisages the acquisition of the remaining **49% stake by 2028**, potentially bringing Spiact under full ownership over the medium term.

Spiact's operating scope includes command-and-control systems for railway switchgear, electrical protection and distribution equipment, level-crossing signalling systems, SCB works, overhead contact-line installations, railway telecommunications and low- and medium-voltage power-supply installations. The company also generates recurring income from leasing industrial assets in Craiova, including production halls and workshops.

As of end-2025, Spiact employed 60 **specialised staff** and held signed contracts totalling **RON 74m**, mainly for railway electrification works, with execution extending into 2026. Its competitor universe includes international players such as Siemens, Alstom and Thales, as well as authorised local operators including Electromontaj, Electromagnetica, ISAF Railway Signalling and Automation Company, SAN Electroterm Grup and Constructii Feroviare Mures.

Spiact adds a new rail-infrastructure vertical, a specialised authorisation base and a backlog-supported growth platform. The acquisition improves the Group's ability to address railway modernisation, signalling and power-supply works, while broadening the post-IPO perimeter beyond energy and standard EPC execution.

Electro Alfa CM adds a logical vertical-integration angle through sheet-metal components used in electrical equipment.

Electro Alfa CM. Electro Alfa CM is a sheet-metal components manufacturer with capabilities in laser cutting, CNC punching and bending, welding, powder coating and surface treatment. The company produces metal components, enclosures and cabinets used in electrical equipment, making it a logical vertical-integration asset for Electro-Alfa International's manufacturing platform.

The 33% stake is treated as a financial investment, with contribution reflected through dividends rather than consolidated EBITDA.

The Group completed the acquisition of a 33% stake in Electro Alfa CM in June 2026, in line with the transaction presented in the IPO prospectus. The agreed consideration was EUR 3.96m. The investment is not consolidated into EAI's operating perimeter, but it strengthens the Group's industrial ecosystem and is expected to contribute through dividend income over time.

Business lines & divisional organisation

The company's activity is structured around **three reportable operating segments**: the production of electrical equipment, the provision of EPC and international tendering services, and IT services. The first two segments are supported by five specialised industrial and EPC divisions, while IT Services is represented by Alfa Factory Software, the Group's dedicated software-development subsidiary.

Production of electrical equipment

DOPE (Division for the Organisation of Electrical Equipment Production)

The DOPE division manufactures a broad portfolio of medium - and low - voltage distribution equipment, supported by engineering and post-sales services. Its product offering comprises (i) **medium-voltage ("MT") switchgear**, available in modular and customised configurations for electrical substations and transformer points; (ii) **compact medium-voltage transformer stations** ("**MT-PTC**"), designed in both compact and containerised formats; and (iii) **low-voltage ("JT") switchboards** developed for industrial and infrastructure applications. The division also provides (iv) a full range of engineering and after-sales services, including design, commissioning, maintenance and on-site technical interventions at the client's premises.

DOSM (Division for the Organisation of Metal Structures)

The DOSM division (**Metal Shelters** and **E-Houses**) develops modular structures designed to protect critical electrical equipment, used across a wide range of environments including energy, industrial and oil & gas applications.

Prefabricated design allows rapid deployment in energy, industrial, oil & gas and infrastructure projects, reducing installation time and overall project cost. The division provides the metal housings and containerised technical buildings used across the Group's EPC and export projects.

EPC services

DOEV (Division for the Organisation of Green Energy)

The DOEV division (Renewable Energy - **Photovoltaic Systems** and **Battery-Energy-Storage Systems**) designs and builds photovoltaic and battery-storage projects, covering the full EPC cycle - design, permitting, procurement, installation, grid connection and SCADA integration. In-house fabrication of structures and switchboards secures control over delivery time and quality.

DOEV's activity focuses mainly on photovoltaic systems and, more recently, battery-energy-storage solutions, reflecting the division's gradual expansion into energy-storage applications.

DOLI (Division for the Organisation of International Tenders)

The DOLI division (**International Tenders**) represents Electro-Alfa's dedicated platform for international procurement and tendering activity. It focuses on sourcing and participating in tenders organised by multilateral institutions such as the United States Agency for International Development (USAID) and the United Nations Development Programme (UNDP).

The division supplies equipment and turnkey systems to externally financed infrastructure and **reconstruction projects**, notably in **Ukraine**.

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DOA (Division for the Organisation of General Contracting)

The DOA division (**Contracting / EPC**) functions as Electro-Alfa's field execution arm by integrating the company's electrical equipment into technical solutions, ranging from overhead and underground power networks to industrial and commercial buildings. The division also delivers installations for transport, telecommunications and public-utility infrastructure, as well as water-pumping systems.

IT services

Alfa Factory Software is Electro-Alfa's dedicated IT-services platform, established in 2025 and 51%-owned by the Group, with the remaining 49% held by KEEP IT Mobile Development. The company develops customised software solutions for production management, operational control, process digitisation and AI-enabled automation, initially supporting internal operational needs, with potential to address external client requirements over time. The segment remains in an early build-up phase, having generated RON 0.8m in revenues in 2025.

A new electricity supercycle is under way

Electricity infrastructure is entering a new investment cycle, driven by the simultaneous acceleration of decarbonisation, electrification, grid reinforcement and digitalisation. Unlike previous cycles, which were largely tied to GDP growth or individual generation projects, the current expansion is anchored in long-dated EU and national policy frameworks that translate climate targets, security-of-supply concerns and industrial policy into multi-year investment programmes. This creates a more visible procurement backdrop for electrical equipment, LV/MV systems, substations, protection and control panels, automation solutions and EPC integration - all core areas of Electro-Alfa's portfolio.

At EU level, the European Grids Package and the Energy Highways initiative point to a step-change in grid investment, with an estimated investment envelope of around **EUR 1.2trn**. The package shifts grid financing from a purely local tariff burden towards a broader EU-level strategic priority, with proposed increases in Connecting Europe Facility funding, broader access to European funds for domestic grids and EIB-backed instruments aimed at supporting grid-equipment manufacturing capacity. For Romania, the implications are structural, as stronger interconnections, storage integration and grid reinforcement are needed to reduce regional price volatility and absorb the growing renewable pipeline.

Romania's updated NECP also signals a substantial acceleration in electricity-related investment needs. On the supply side, investment required in electricity generation is estimated at **EUR 60b by 2050**, including **EUR 17.8b over 2026-2030**, a 5.6x increase versus 2023-2025, and a further **EUR 15.6b over 2031-2035**. Solar and wind are expected to deliver the strongest capacity additions, while battery storage and nuclear investment become increasingly relevant over the medium to long term. On the demand side, the NECP points to a much larger electrification requirement across transport, buildings, industry and agriculture, reinforcing the need for grid expansion, power-distribution equipment and end-user electrical infrastructure.

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Romania: Estimated development and climate mitigation investment needs in key decarbonising sectors

USDb (discounted 2022)	BAU						LINEAR Net Zero @2050						Δ
	Total 2023-50	Of which, 2023-30	2031-50	Of which, Public sector National	EU	Private sector	Total 2023-50	Of which, 2023-30	2031-50	Of which, Public sector National	EU	Private sector	Total 2023-50
Energy	**32.8**	**19.5**	**13.3**	**12.4**	**2.8**	**17.5**	**39.9**	**20.8**	**19.1**	**13.1**	**3.4**	**23.4**	**7.1**
New investments- generation and storage capacity	*27.3*	*16.1*	*11.2*	*9.7*	*2.2*	*15.4*	*33.5*	*17.3*	*16.2*	*10*	*2.7*	*20.8*	*6.2*
New investments—Transmission and distribution networks	*4.2*	*2.2*	*2.1*	*1.8*	*0.3*	*2.1*	*5.2*	*2.3*	*2.9*	*2.2*	*0.4*	*2.6*	*1*
Decommissioning coal plants and mines	*1.2*	*1.2*	*0.0*	*0.9*	*0.3*	*0.0*	*1.2*	*1.2*	*0.0*	*0.9*	*0.3*	*0.0*	*0*
Residential	**85.3**	**14.2**	**71.1**	**14.8**	**23.3**	**47.2**	**85.3**	**15.1**	**70.3**	**15.3**	**23.1**	**47.0**	**0.0**
Renovation of buildings for increased energy efficiency	*85.3*	*14.2*	*14.2*	*14.2*	*14.2*	*14.2*	*85.3*	*15.1*	*70.3*	*15.3*	*23.1*	*47.0*	*0*
Transport	**180.0**	**75.5**	**104.5**	**40.4**		**139.7**	**230.6**	**82.8**	**147.8**	**60.5**		**170.1**	**50.6**
New investment / New infrastructure, o/w:													
Road network	*30.2*	*16.2*	*14.0*	*27.9*		*2.3*	*20.7*	*11.4*	*9.3*	*19.1*		*1.6*	*-9.5*
Rail transport	*13.4*	*4.9*	*8.5*	*8.4*		*4.9*	*50.7*	*15.9*	*34.8*	*30.9*		*19.8*	*37.3*
Charging infrastructure	*6.0*	*0.5*	*5.5*	*0.2*		*5.8*	*19.9*	*3.0*	*16.8*	*0.6*		*19.3*	*13.9*
Road vehicle stock development	*130.5*	*54.0*	*76.6*	*3.9*		*126.6*	*135.4*	*50.1*	*85.3*	*6.0*		*129.4*	*4.9*
Total investments	**298.1**	**109.2**	**188.9**	**93.7**		**204.4**	**355.8**	**118.7**	**237.1**	**115.4**		**240.4**	**57.7**
Investments (% cumulative corresponding GDP)	*2.4%*	*4.3%*	*1.9%*	*0.0%*		*1.7%*	*2.9%*	*4.7%*	*2.5%*	*0.9%*		*2.0%*	

*Source: World Bank Group, Country Climate and Development Report: Romania (CCDR), October 2023; *Business-as-Usual (BAU)*

This policy-driven investment wave is already visible in electrical-equipment markets. Demand for transformers, switchgear, cables and grid-integration equipment has accelerated at a time when manufacturing capacity remains constrained after years of under-investment. As highlighted by Wood Mackenzie, global transformer shortages have pushed prices up by **60-80% since 2020**, while lead times have extended materially. The sector has therefore moved from a long period of overcapacity and weak pricing power to one of structural tightness, improving order visibility and supporting margins for manufacturers and integrators with established production capacity and delivery credentials.

Equity markets have reflected this shift. Since early 2022, leading European electrical-equipment names have materially outperformed the broader market, with Koncar, Siemens Energy, Arteche and ABB all benefiting from investor appetite for grid-equipment and electrification exposure. This re-rating matters for EAI, as the company operates in segments directly aligned with the same structural drivers: medium-voltage switchgear, control panels, compact substations, shelters, renewable-energy EPC, BESS-related integration and broader electrification infrastructure.

For Electro-Alfa International, the supercycle matters in three ways. First, structural tightness in electrical equipment increases the value of local manufacturing, engineering flexibility and shorter delivery chains. Second, grid reinforcement, renewables, storage and industrial electrification support demand across both the manufacturing and EPC divisions. Third, the policy-backed nature of the investment cycle improves medium-term visibility, creating a more favourable backdrop for a listed Romanian electrical-equipment and infrastructure platform with post-IPO **capital available for capacity expansion, acquisitions and new growth verticals.**

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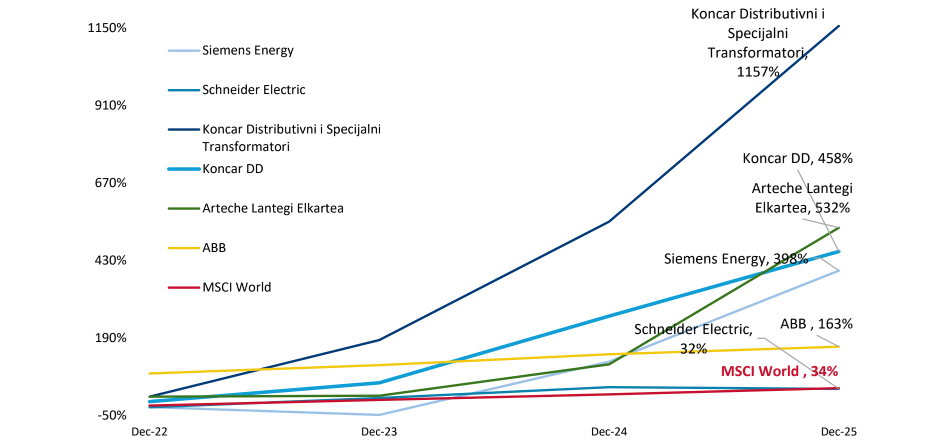
European electrical-equipment stocks outperform

Since early 2022, most leading European electrical-equipment names have outperformed the MSCI World index by a wide margin.

European power hitters, Share price evolution (January 4th 2022 = 100)



Source: Bloomberg; Swiss Capital estimates

Market opportunity and addressability

EY Parthenon estimates Electro-Alfa's total addressable market at over EUR 18b and its serviceable obtainable market at about EUR 2.6b over the 2026-2030/2035 window.

Electro-Alfa's medium-term growth is supported by a sizeable policy-driven investment cycle across electricity infrastructure, electrification and industrial modernisation. The opportunity set is underpinned by EU and Romanian decarbonisation targets, grid-reinforcement needs, renewable-energy integration, transport infrastructure, industrial construction and donor-funded reconstruction programmes.

Based on the EY-Parthenon market-potential study prepared for Electro-Alfa International, *High-Level Analysis of Electro-Alfa's Market Potential*, the Group's total addressable market for electrical equipment and EPC activities is estimated at around **EUR 18.4b**, while the serviceable obtainable market is estimated at EUR 2.58b over the broader 2026-2030/2035 horizon. We treat this framework as an indication of strategic headroom rather than company guidance or a committed revenue pipeline. The EY-Parthenon framework shows a broad opportunity base across **energy, civil & industrial works, transport infrastructure, land improvements and aid & relief**, reducing reliance on a single market and supporting EAI's multi-pillar growth strategy.

Energy infrastructure accounts for the bulk of the Group's SOM, representing 48%, with visibility beyond 2030 under the NECP and utility investment programmes. However, Electro-Alfa is not a single-bet market. The remaining SOM is diversified across civil and industrial construction (29%), transport infrastructure (9%), land-improvement schemes (5%) and donor-funded aid and relief (9%), creating a multi-pillar demand base supported by distinct funding sources and investment plans

Electro-Alfa's largest addressable opportunity is in **energy infrastructure**, where the Group is exposed to electricity networks, generation and flexibility assets. In networks, the opportunity is concentrated mainly in distribution substation modernisation, where EAI can provide LV/MV equipment, specialised enclosures, shelters and EPC scope. In generation, the main pools are nuclear and solar, complemented by selective exposure to gas, hydro, wind and BESS-related electrical works.

Civil and industrial construction represents the second-largest opportunity pool, supported by industrial, logistics, healthcare and commercial developments. This market has a higher electrical-content share than road or rail projects, as new facilities require LV/MV installations, transformer stations, automation and control systems, metallic shelters and turnkey power-distribution packages.

In **transport infrastructure**, Electro-Alfa's opportunity is more selective. Road projects offer recurring demand for lighting, power distribution, traffic-management systems, tolling, signalling and monitoring equipment, although the electrical scope is a small

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share of total civil-heavy capex. Railway infrastructure provides a more specialised opportunity through traction substations, signalling, control, protection, power distribution and station automation, with metro and tram projects adding smaller but relevant urban-transport niches.

Electro-Alfa International: Addressable and serviceable obtainable markets

Market	Energy	Road Infrastructure	Railway Infrastructure	Civil & Industrial Works	Land Improvements	Aid & Relief
Data source	→National Energy & Climate Change Plan →Investment plans by network operators →Investment plans by major energy companies	→Investment program of the Ministry of Transport and Infrastructure	→Planned railway projects on the main network from the Romania's General Transport Master Plan →Planned rail projects by municipalities	→Expected market industry growth trends	→National Program to Rehabilitate Primary Irrigation Canal and Drainage Infrastructures" for 2022 – 2027	→Annual humanitarian and development funding allocated by donors and executed via UN agencies, NGOs, and contractors
Market sub-segments	√Generation √Networks √Green Energy	√High-speed roads √Secondary roads √Transregional roads	√Train √Metro √Tram	√Civil works (healthcare) √Industrial (production & logistics)	√Irrigation Infrastructure √Drainage Systems	√Ukraine √Other Regions
Electro-Alfa's position	**Focused player**		**Growth player**		**Focused player**	
TAM*	EUR 8,476m	EUR 256m	EUR 1,962m	EUR 6,240m	EUR 600m	EUR 904m
SOM**	**EUR 1,247m**	**EUR 110m**	**EUR 128m**	**EUR 749m**	**EUR 120m**	**EUR 226m**
Time Horizon	2030	2030	2030	2030	2030	2030

*Source: EY-Parthenon - "High-Level Analysis of Electro-Alfa's Market Potential", September 29, 2025; * Total Addressable Market (TAM); ** Serviceable Obtainable Market (SOM)*

Land improvements provide a focused market aligned with Electro-Alfa's technical capabilities, as irrigation and drainage programmes require power-supply systems for pumping stations, LV/MV distribution cabinets, automation panels, monitoring and communication systems. The market is supported by EU and national funding for the rehabilitation and expansion of Romania's irrigation infrastructure.

Aid and relief is a more episodic but strategically relevant export-oriented niche, mainly linked to donor-funded programmes, including Ukraine reconstruction and regional humanitarian infrastructure. Electro-Alfa's scope includes prefabricated substations, switchgear, control panels, mobile power-distribution systems and emergency backup infrastructure, offering diversification beyond the domestic project pipeline.

In our assessment, around **EUR 2.14b** of the SOM is more realistically attributable to the 2026-2030 period, with the remaining opportunity better positioned beyond 2030, mainly due to the phasing of nuclear Units 3 & 4, SMRs and part of DSO substation-modernisation programmes. Energy remains the largest opportunity pool, accounting for roughly **48%** of SOM, followed by civil and industrial construction at **29%**, transport infrastructure at **9%**, aid & relief at **9%** and land improvements at **5%**.

Overall, EAI's forecast growth does not rely on a single end-market. The Group is exposed to several independently funded investment pools, including grid equipment,

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renewable & storage integration, electrical works for industrial & logistics developments, transport infrastructure, irrigation systems and donor-funded international tenders. This creates a broad demand base and supports the case for sustained revenue growth, while leaving room for upside if project conversion, execution capacity or acquisition-led expansion exceed our base-case assumptions.

Competitive landscape

The competitive landscape is based primarily on the EY-Parthenon study *High-Level Analysis of Electro-Alfa's Market Potential*, which remains the latest structured market-share framework for Electro-Alfa International's Romanian peer universe. We retain the EY 2024 analysis for market shares and divisional positioning, while using updated 2025 EMIS data for the broader cross-segment peer comparison.

In electrical-equipment manufacturing, defined by EY using companies registered under NACE 27.11, Electro-Alfa International was the **leading Romanian player in 2024**. The market was estimated at around RON 2b, across 58 active companies, with the top ten players accounting for 69.95% of total market value. Within this perimeter, Electro-Alfa held a **32.49% market share**, positioning it clearly ahead of the next largest domestic players and confirming the strength of its core manufacturing franchise.

Across the broader cross-segment competitor group, Electro-Alfa International ranks **fourth by net sales in both 2024 and 2025**, confirming its position among Romania's largest players active in electrical equipment and installations, utility-system construction, industrial-equipment wholesale and electrical engineering. In 2025, the group was led by Electrogrup, Electromontaj and Elsaco Electronic, with Electro-Alfa positioned immediately behind them, at RON 832m in net sales.

Cross-segment competitor group

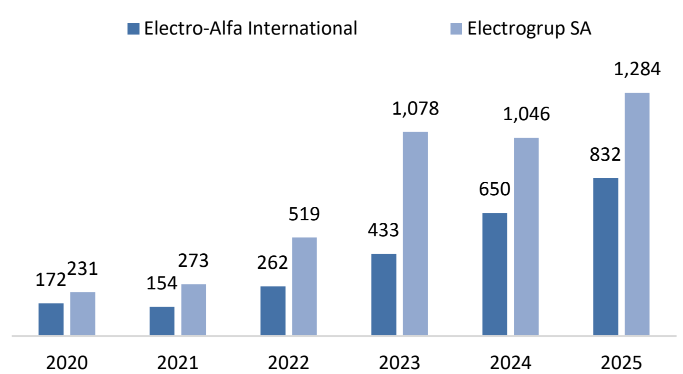
Electrogrup SA – Main Competitor for DOPE, DOA and DOEV

Industry: Electrical Installation; **HQ:** Cluj; **Employees**: 668

Established in 1997, Electrogrup provides turnkey solutions - design, implementation, maintenance, and dispatching - for projects in energy infrastructure, telecommunications, and civil construction, carried out at both national and international levels.

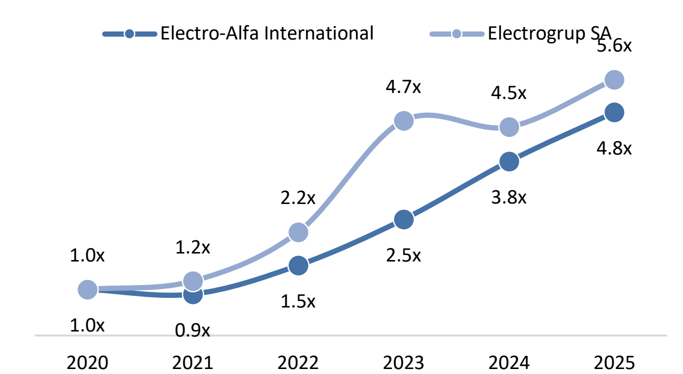
Products & Services: Design, authorisation and implementation of 0.4-400 kV electrical networks; Power stations & smart metering; SCADA integration for power plant clusters; Solutions for the maintenance of PV parks; Civil and industrial construction works.

Electrogrup SA: Net sales (RONm)



Source: EMIS

Electrogrup SA: Cumulative net sales growth (2020=100)



Source: EMIS; Swiss Capital estimates

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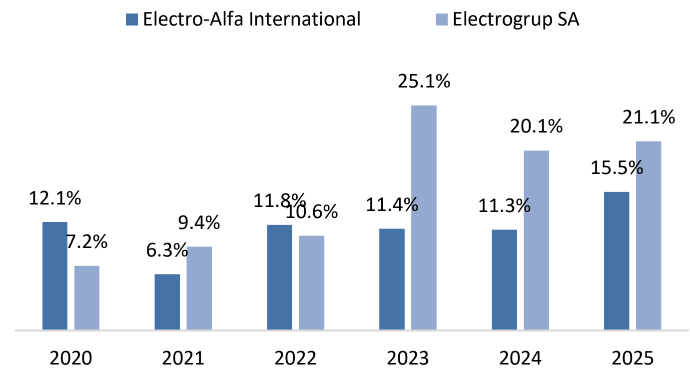
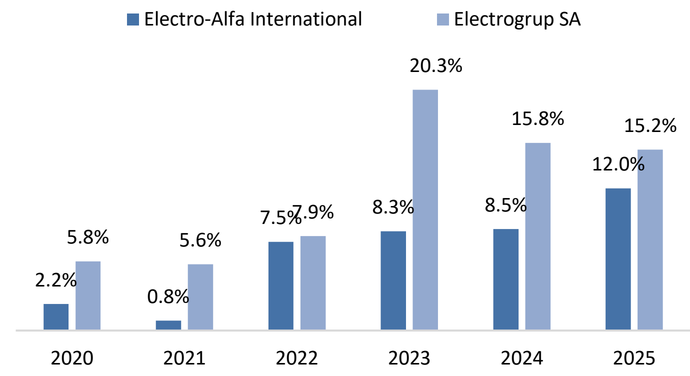
Electrogrup SA: EBITDA margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

Electrogrup SA: Net profit margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

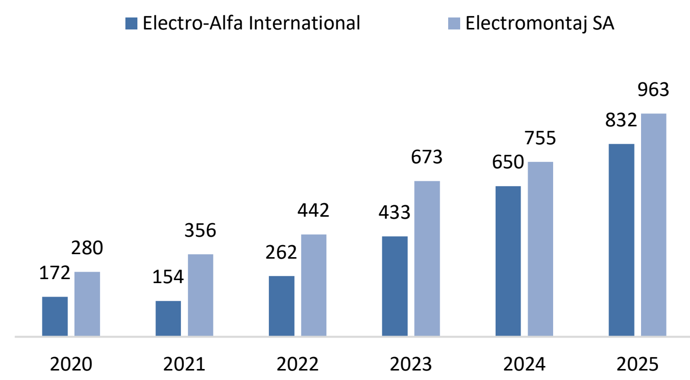
Electromontaj SA – Main Competitor for DOA

Industry: Utility System Construction; **HQ:** Bucharest; **Employees**: 1,114

Established in 1994, Electromontaj is an international construction company, specialised in building and maintaining power lines, as well as substations for the power supply. The EM Group includes companies that supply conductors, clamps and fittings, build towers, drilled foundations and power stations.

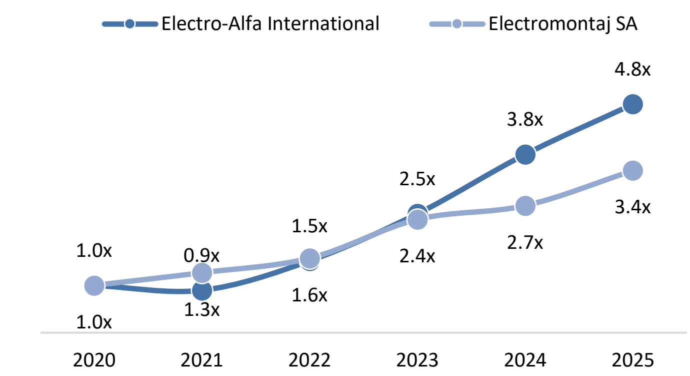
Products & Services: Design and construction of high-voltage power lines; Design and construction of electrical stations and transformer stations; Design and production of metal poles, clamps, and fittings; Testing of metal poles up to 90 meters high.

Electromontaj SA: Net sales (RONm)



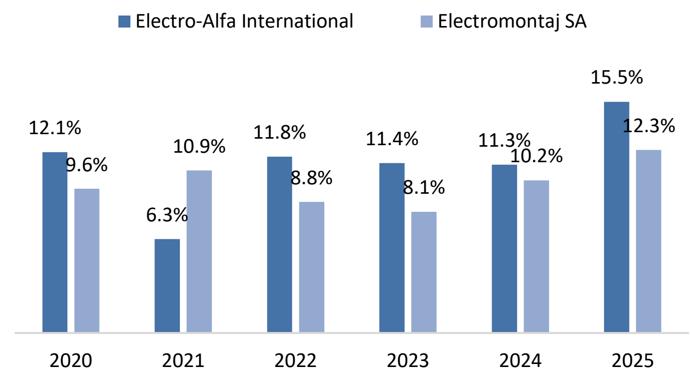
Source: EMIS

Electromontaj SA: Cumulative net sales growth (2020=100)



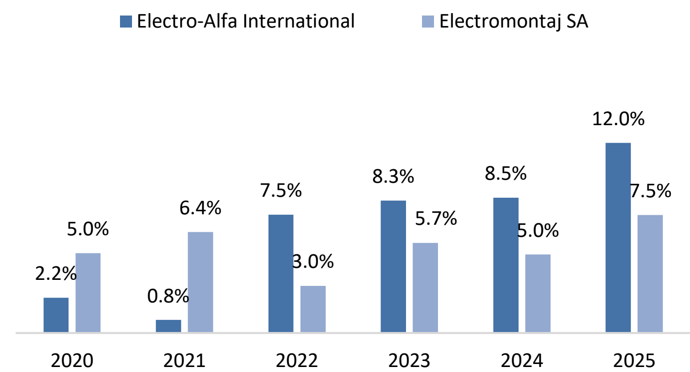
Source: EMIS; Swiss Capital estimates

Electromontaj SA: EBITDA margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

Electromontaj SA: Net profit margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

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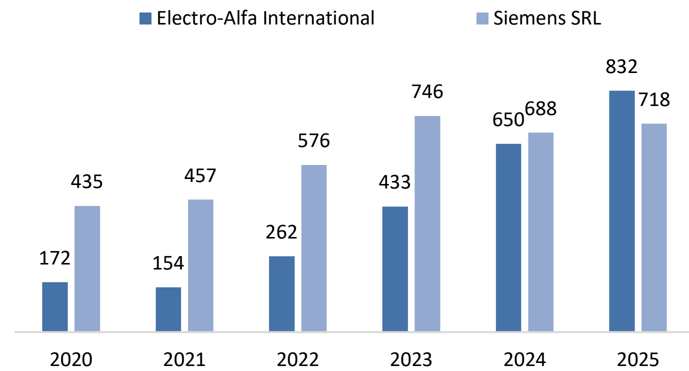
Siemens SRL – Main Competitor for DOPE and DOSM

Industry: Sale of Industrial Equipment; **HQ:** Bucharest; **Employees**: 862

Siemens is present in Romania since more than 100 years, founded as "Societatea Romana de Electricitate Siemens Schuckert" in 1905. Siemens Ltd. is one of the leading technology companies in Romania. Its work focuses on business sectors Energy, Industry, Infrastructure & Cities and Health.

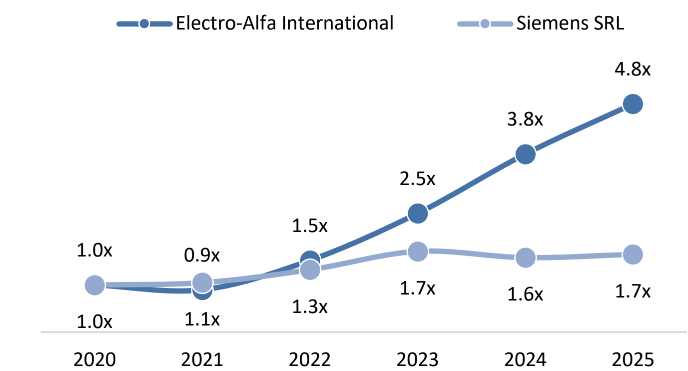
Products & Services: Medium and low-voltage distribution systems; Software for electrical networks; Industrial communications and energy management; SIMATIC industrial automation systems; SCADA (Supervisory Control and Data Acquisition) software.

Siemens SRL: Net sales (RONm)



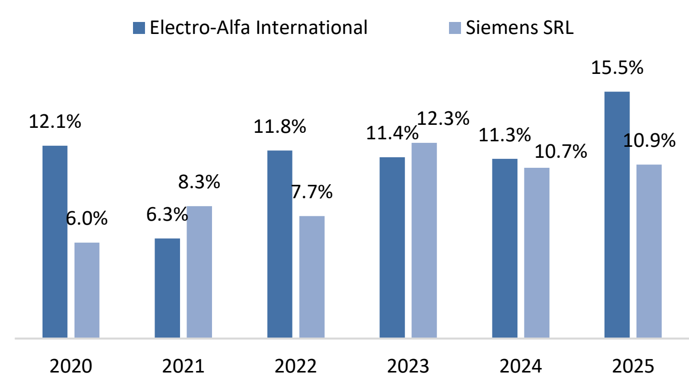
Source: EMIS

Siemens SRL: Cumulative net sales growth (2020=100)



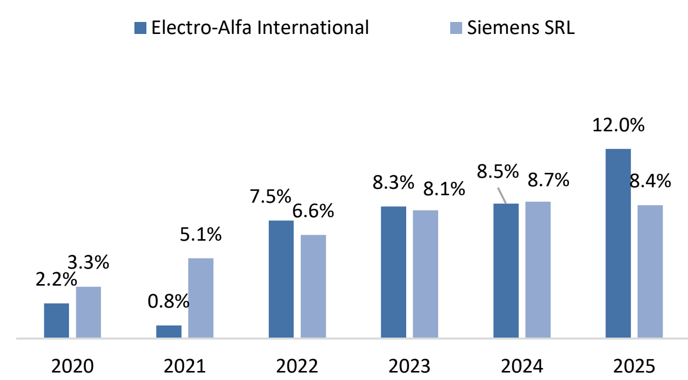
Source: EMIS; Swiss Capital estimates

Siemens SRL: EBITDA margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

Siemens SRL: Net profit margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

Schneider Electric Romania SRL – Main Competitor for DOPE and DOSM

Industry: Wholesale Of Electrical Appliances; **HQ:** Bucharest; **Employees**: 329

Schneider Electric is a global specialist in energy management, offers integrated solutions making energy safe, reliable, efficient and productive for energy markets and infrastructure, industry, networks and data centers, industrial buildings and homes.

Products & Services: Low voltage products and systems; Solutions for residential buildings and small businesses; Building automation and control; Medium voltage distribution and network automation; Electrical power supply system, cooling and essential racks

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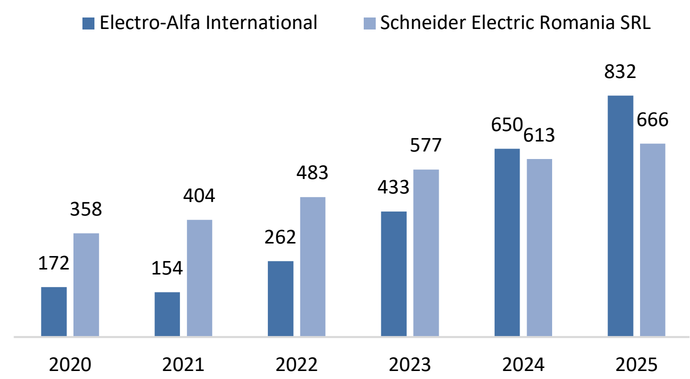
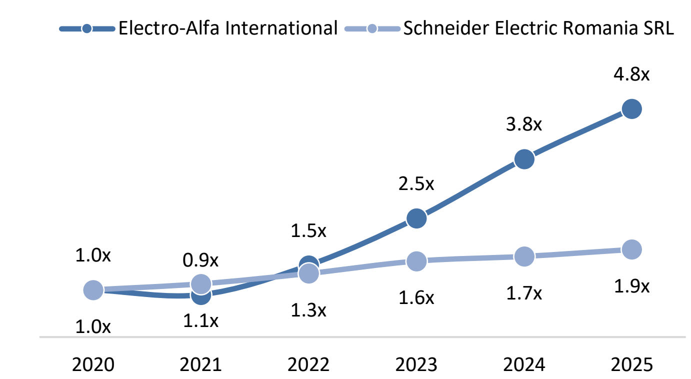
Schneider Electric Romania SRL: Net sales (RONm)



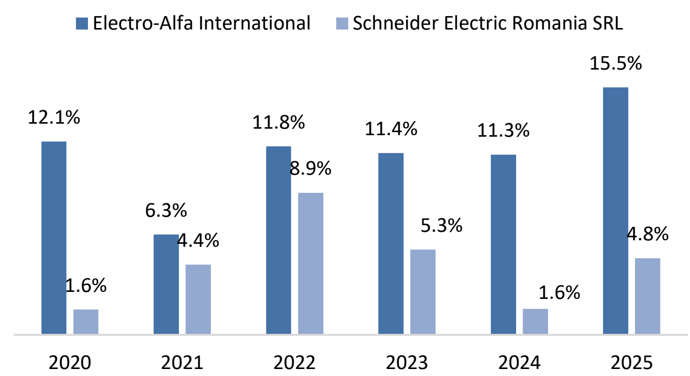
Source: EMIS

Schneider Electric SRL: Cumulative sales growth (2020=100)



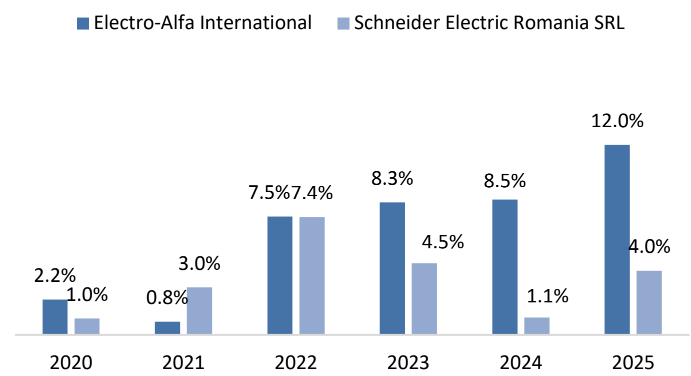
Source: EMIS; Swiss Capital estimates

Schneider Electric Romania SRL: EBITDA margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

Schneider Electric Romania SRL: Net profit margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

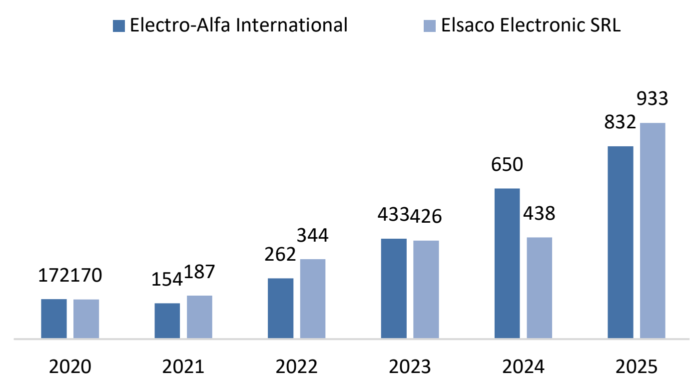
Elsaco Electronic SRL – Main Competitor for DOA

Industry: Utility System Construction; **HQ:** Botoșani; **Employees**: 294

Elsaco Group operates as a system integrator and engineering / EPC contractor in utilities, energy, and public infrastructure. Established in 1994, **Elsaco Electronic** delivers engineering, procurement, and construction services for energy, water, and utility infrastructure.

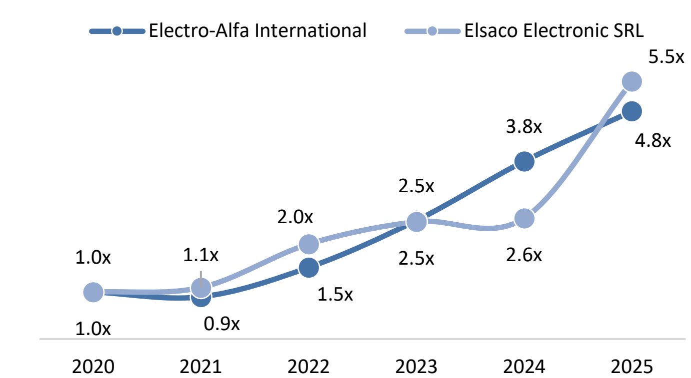
Products & Services: Cogeneration plants for the efficient production of electricity and heat; Automated central and individual heating modules; Utility/resource transmission and distribution networks; Dedicated SCADA information systems for monitoring and controlling technological processes across the entire production, transmission, distribution, and consumption chain; Technologies for recovering waste heat from industrial technological processes.

Elsaco Electronic SRL: Net sales (RONm)



Source: EMIS

Elsaco SRL: Cumulative net sales growth (2020=100)



Source: EMIS; Swiss Capital estimates

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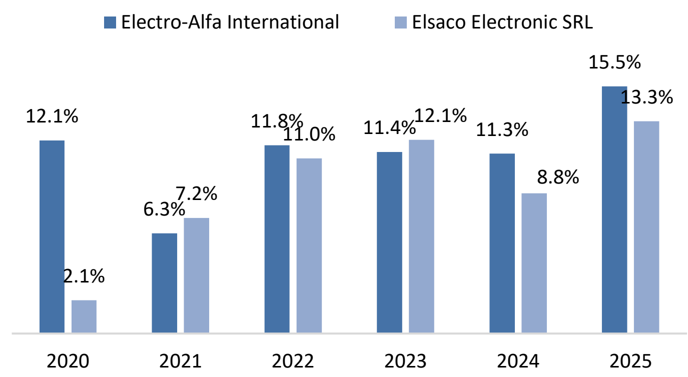
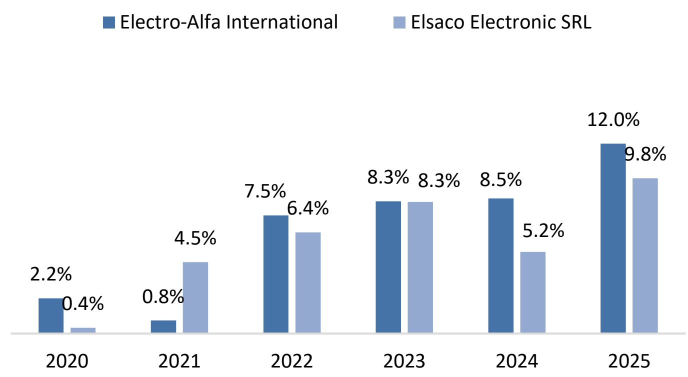
Elsaco Electronic SRL: EBITDA margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

Elsaco Electronic SRL: Net profit margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

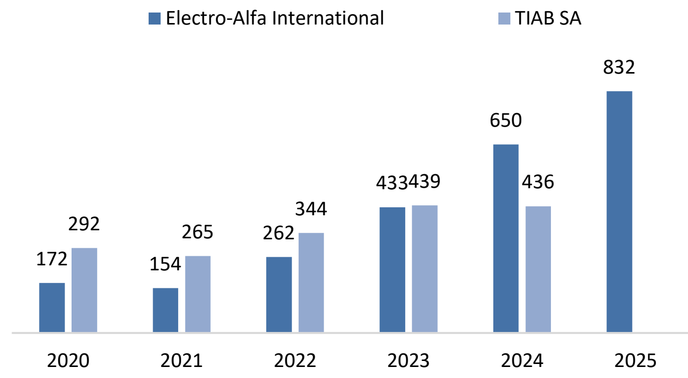
TIAB SA – Main Competitor for DOA

Industry: Electrical Installations; **HQ:** Bucharest; **Employees**: 812

TIAB is an integrator of systems and technical solutions in the field of electrical installations, HVAC, sanitation, and automation for industry, infrastructure, and the tertiary sector. Established in 1949, TIAB became part of VINCI Energies in 2007.

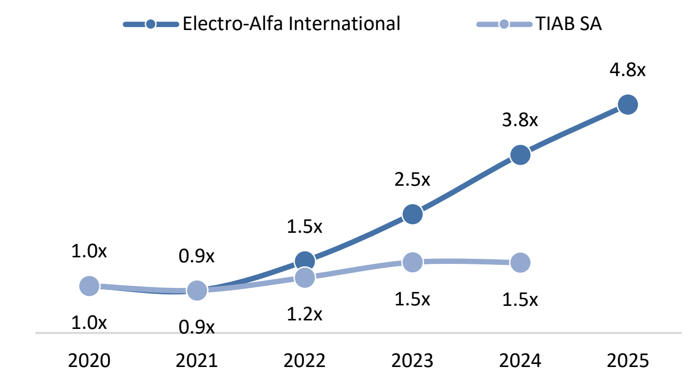
Products & Services: Electrical installations, HVAC, sanitary and automation; Building information modeling; Building materials, steel, metallurgy, chemical industry; Automotive, consumer goods.

TIAB SA: Net sales (RONm)



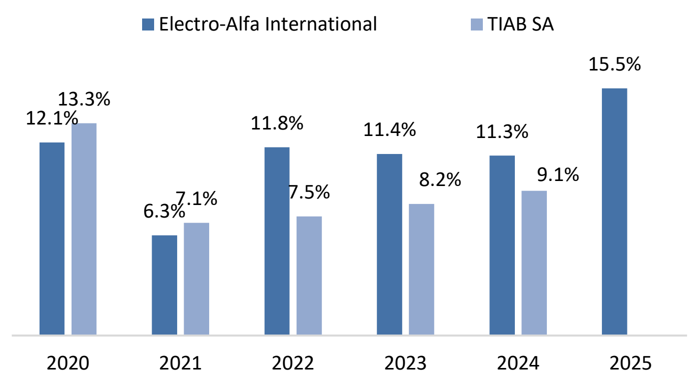
Source: EMIS; 2025 not available

TIAB SA: Cumulative net sales growth (2020=100)



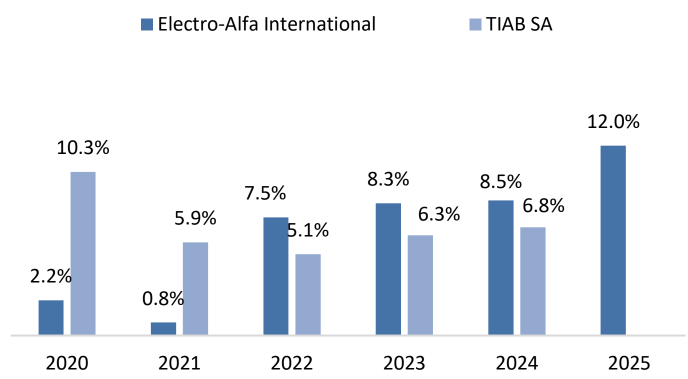
Source: EMIS; Swiss Capital estimates; 2025 not available

TIAB SA: EBITDA margin*



*Source: EMIS; 2025 not available; *RAS (Romanian Accounting Standards)*

TIAB SA: Net profit margin*



*Source: EMIS; 2025 not available; *RAS (Romanian Accounting Standards)*

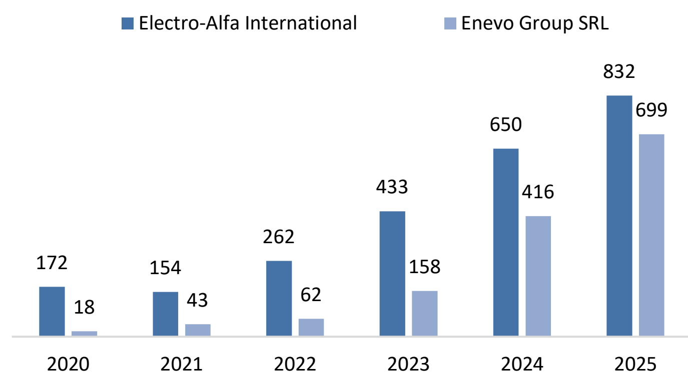
Enevo Group SRL - Main Competitor for DOEV

Industry: Engineering and Technical Consulting; **HQ**: Bucharest; **Employees**: 44

ENEVO Group delivers turn-key delivery of medium and high voltage substations, customised energy dispatch centers, SCADA and industrial control systems, various applications for energy efficiency and renewable plants. Established in 2014, ENEVO is privately owned and is active in 4 continents.

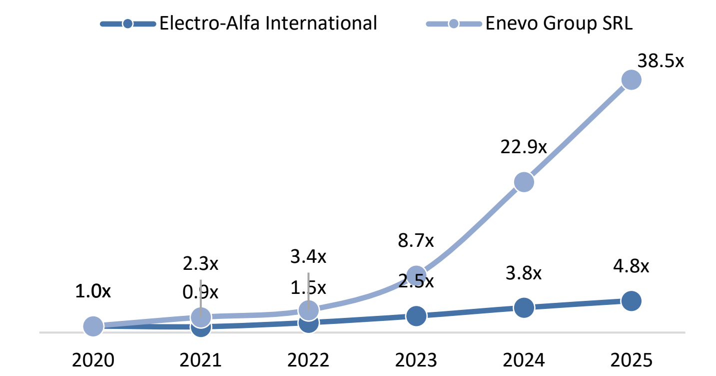
Products & Services: EPC Services; Design for primary and secondary circuits; Turn-key execution of PV Plants; Engineering for Electrical & Automation Systems for power plants, water and other industrial processes; EPC for Gas Reduction Stations;

Enevo Group SRL: Net sales (RONm)



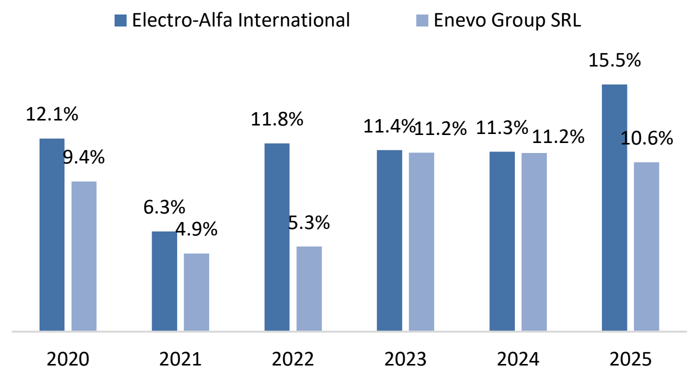
Source: EMIS

Enevo Group SRL: Cumulative net sales growth (2020=100)



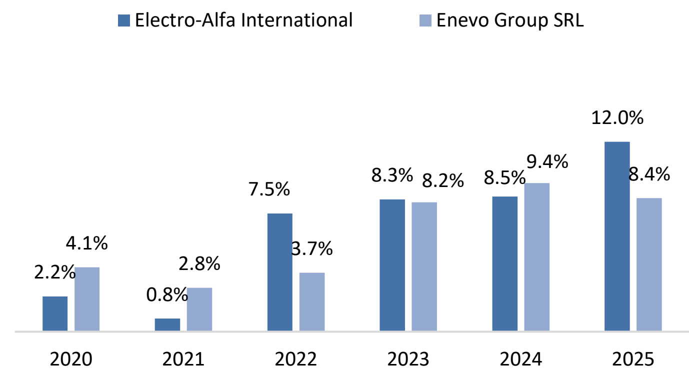
Source: EMIS; Swiss Capital estimates

Enevo Group SRL: EBITDA margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

Enevo Group SRL: Net profit margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

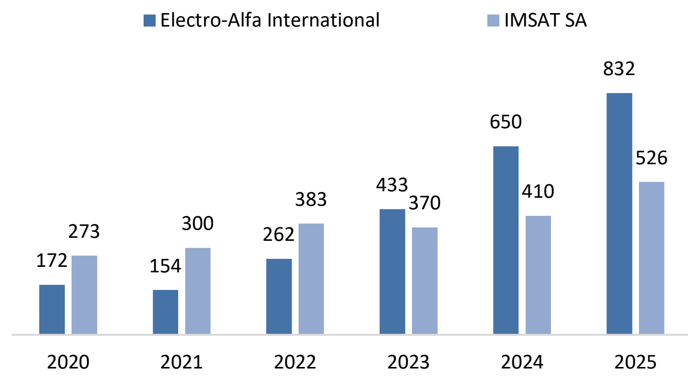
IMSAT SA – Main Competitor for DOA

Industry: Electrical Installations; **HQ**: Bucharest; **Employees**: 858

IMSAT is a Romanian company that designs, develops and integrates multi-technical solutions for the most complex applications in market segments such as Industry, Energy, Building Infrastructure and Transport Infrastructure. Established in 1962, IMSAT became part of Snef Group in 2007.

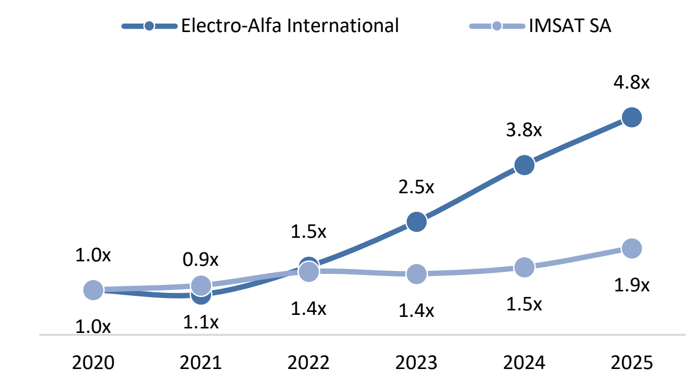
Products & Services: Design, steel structure and architecture erection for civil and industrial buildings; Transformer stations, power and distribution systems in the field of low and medium voltage electrical installations; Automation solutions for the control and monitoring of industrial production processes; HVAC; Integration of robotic systems.

IMSAT SA: Net sales (RONm)



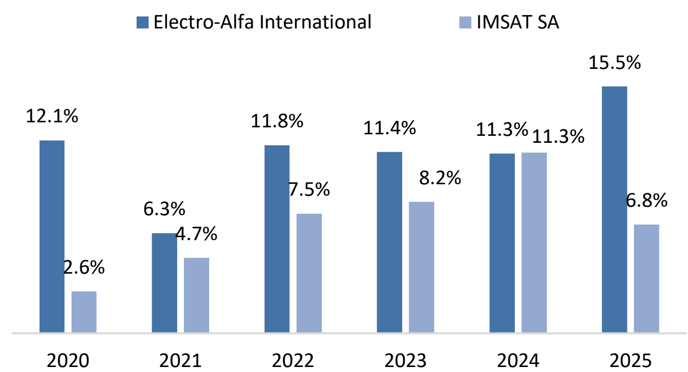
Source: EMIS

IMSAT SA: Cumulative net sales growth (2020=100)



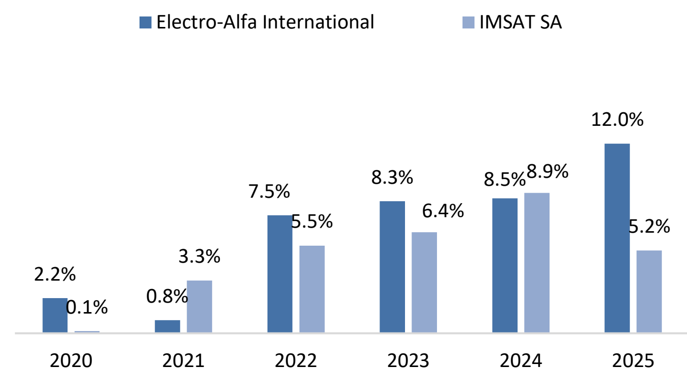
Source: EMIS; Swiss Capital estimates

IMSAT SA: EBITDA margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

IMSAT SA: Net profit margin*



*Source: EMIS; *RAS (Romanian Accounting Standards)*

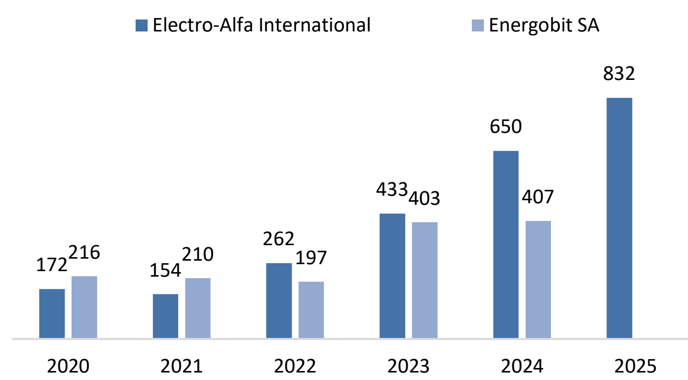
Energobit SA – Main Competitor for DOPE, DOA, DOEV and DOSM

Industry: Utility System Construction; **HQ**: Cluj; **Employees**: 494

Energobit SA offers a full range of services such as energy audit and technical design, production of electrical equipment (low and medium voltage), general contracting, maintenance and operation services. Established in 1990, Energobit will become part of VINCI Energies at the end of 2025.

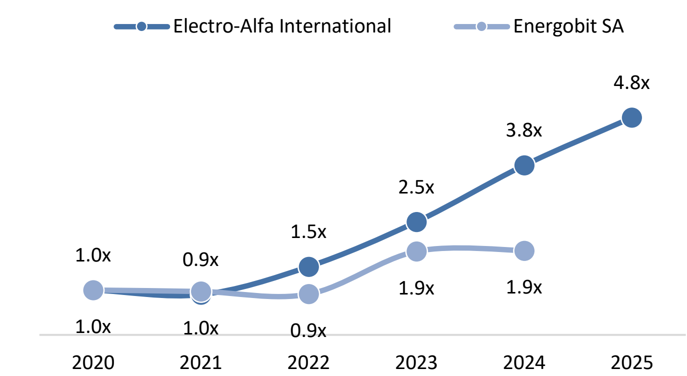
Products & Services: Prefabricated transformer substations in concrete case; Air insulated Metal Clad medium voltage switchgear for primary and secondary distribution; Low and ultra- low losses distribution transformers; Low voltage distribution, automation and protection panels; Turnkey services for power systems; Electrical engineering solutions.

Energobit SA: Net sales (RONm)



Source: EMIS; 2025 not available

Energobit SA: Cumulative net sales growth (2020=100)



Source: EMIS; 2025 not available ; Swiss Capital estimates

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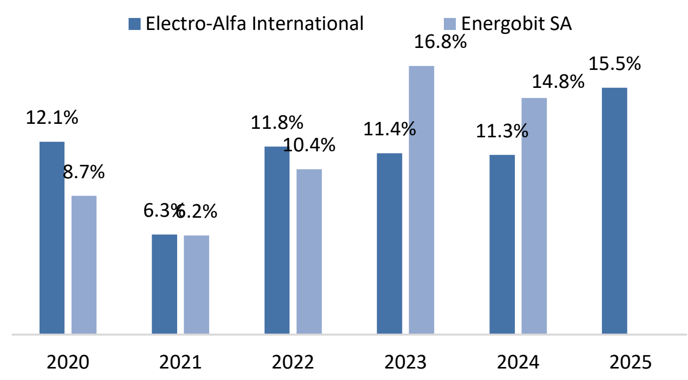
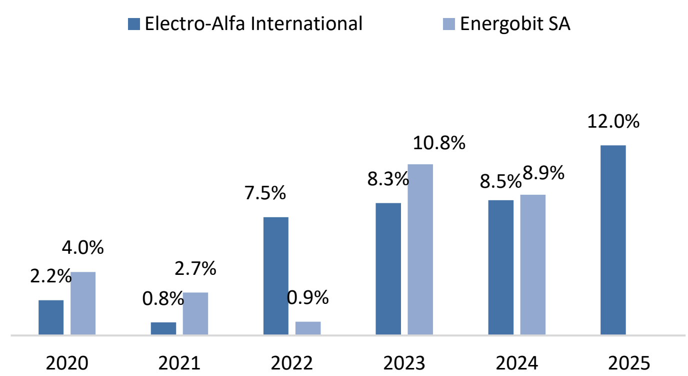
Energobit SA: EBITDA margin*



*Source: EMIS; 2025 not available; *RAS (Romanian Accounting Standards)*

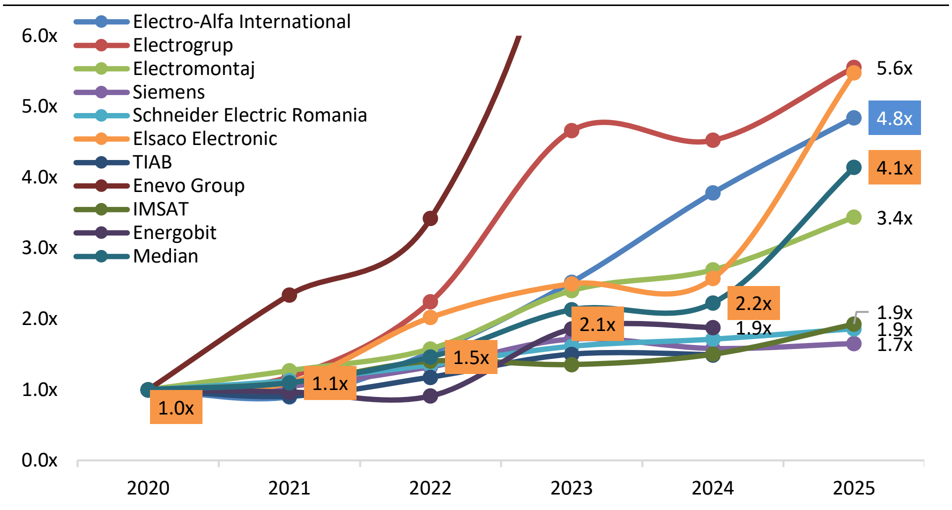
Energobit SA: Net profit margin*



*Source: EMIS; 2025 not available; *RAS (Romanian Accounting Standards)*

The broader competitor analysis points to a marked acceleration in sector growth, with the peer-set median expanding **4.1x over 2020-2025**. Electro-Alfa sits firmly within the fast-growth cluster, with net sales rising from **RON 171.8m in 2020** to **RON 832.2m in 2025**, equivalent to a **4.8x increase**. The ramp-up was rapid, although not the steepest in the set: Electrogrup expanded **5.6x** over the same period, Elsaco Electronic increased **5.5x**, while Enevo grew **38.5x**, albeit from a very small base. Electromontaj also posted strong momentum, with sales up **3.4x**, while Siemens, Schneider and IMSAT recorded more moderate growth of **1.7-1.9x**.

Cross-segment competitor group: Cumulative sales growth (2020=100)



Source: EMIS; Swiss Capital estimates

On profitability, Electro-Alfa's 2025 EBITDA margin of **15.5%** places it in the upper tier of the peer group and above the peer-set median of **11.6%**. Electrogrup remained the most profitable large peer on this metric, with an EBITDA margin of **21.1%**, while Elsaco Electronic and Electromontaj reported margins of **13.3%** and **12.2%**, respectively. Siemens and Enevo operated around the 10-11% level, while IMSAT and Schneider remained lower, at **6.8%** and **4.8%**, respectively. Net profit margins tell a similar story. Electro-Alfa's net profit margin increased to **12.0%** in 2025, above the peer-set median of **8.4%**.

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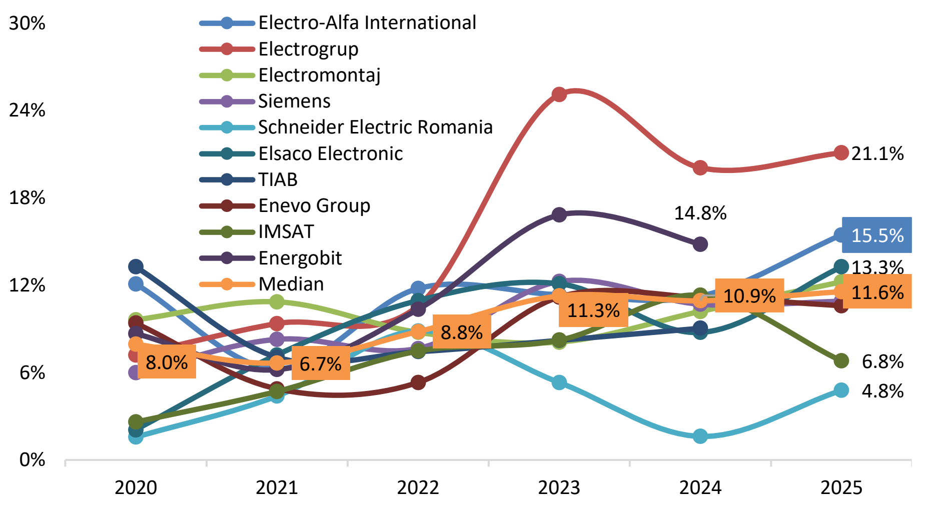
Cross-segment competitor group: EBITDA margin*

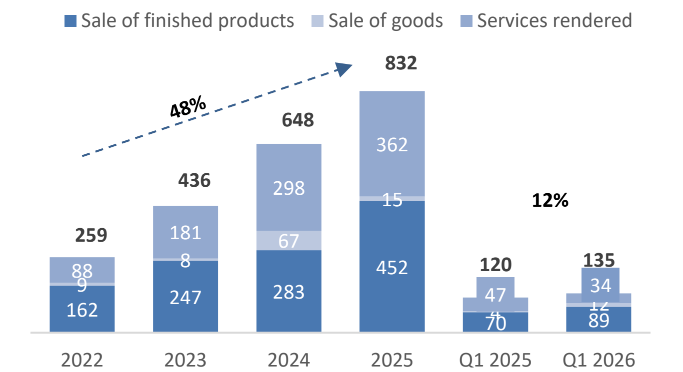


*Source: EMIS; *RAS (Romanian Accounting Standards)*

Financial highlights (FY 2022 - Q1 2026)

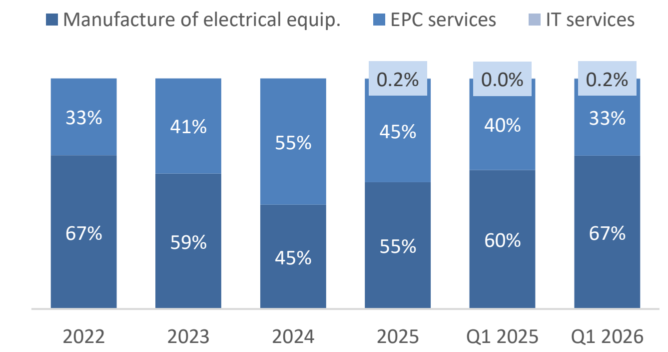
Electro-Alfa scaled rapidly over FY 2022-2025, with revenues rising from RON 259m in 2022 to RON 832m in 2025, equivalent to **a 3.2x increase over the period** and a 47.5% CAGR. Growth remained strong in 2025, with revenues up 28.3% Y/Y, supported mainly by the manufacturing segment and higher deliveries of electrical equipment. On our definition, **EBITDA - calculated as IFRS EBIT plus depreciation and amortisation** - increased from RON 31.7m in 2022 to RON 125.5m in 2025, with **the margin expanding to 15.1% from around 12% in 2022-2024**. Net profit also increased materially, reaching RON 99.7m in 2025, **up 73.7% Y/Y, implying a 12.0% net margin**. Q1 2026 remained seasonally softer, as expected, with revenues up 12.2% Y/Y to RON 135.1m but EBITDA margin easing to 7.9%, reflecting typical first-quarter seasonality and the timing of project execution. This is consistent with the company's 2026 outlook, which points to a stronger ramp-up in activity in the second half of the year, particularly in Q4.

Electro-Alfa International: Revenue (RONm)



Source: Electro-Alfa International; Note: Net turnover presented include other revenues, which are not shown separately in the chart

Electro-Alfa International: Revenue breakdown (RONm)



Source: Electro-Alfa International

Electro-Alfa International: Net profit (RONm)

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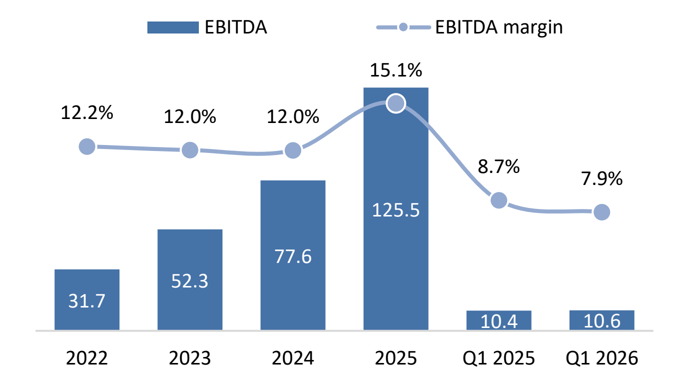
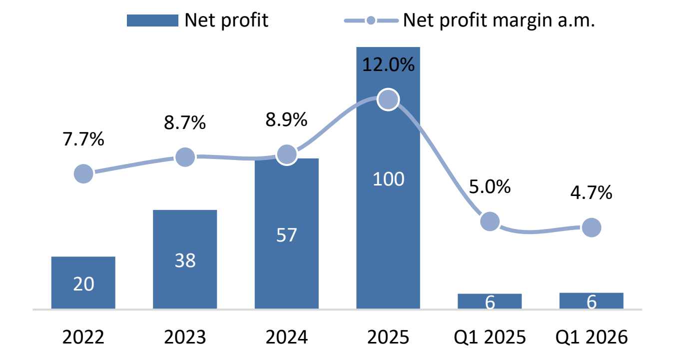
Electro-Alfa International: EBITDA (RONm)

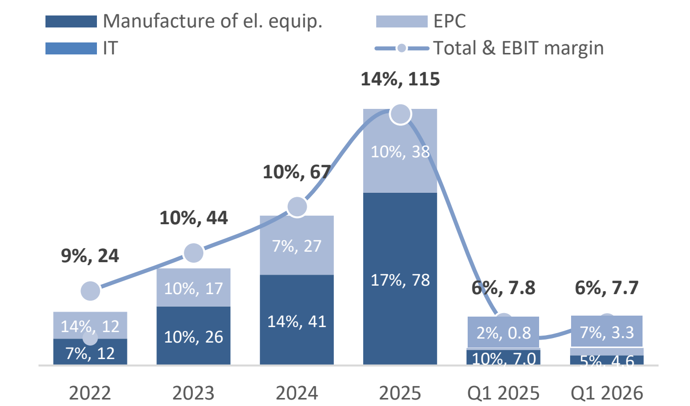


Source: Electro-Alfa International; Swiss Capital estimates; Note: EBITDA calculated as IFRS EBIT + D&A



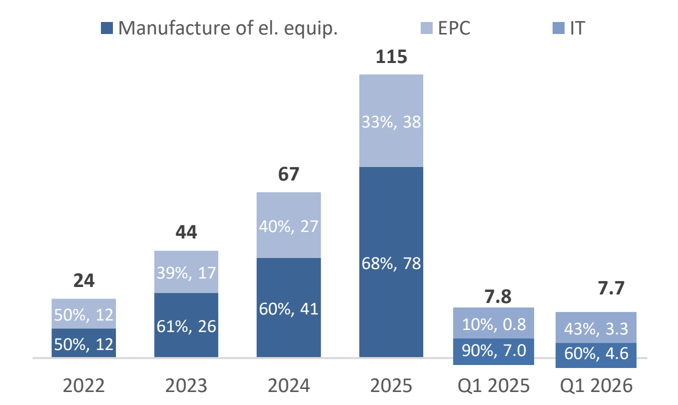
Source: Electro-Alfa International; Swiss Capital estimates

Electro-Alfa International: EBIT (RONm)



Source: Electro-Alfa International; Swiss Capital estimates

Electro-Alfa International: EBIT breakdown (RONm)



Source: Electro-Alfa International; Swiss Capital estimates

Since 2022, consolidated EBIT increased almost 4.8x, from RON 24.0m to RON 114.8m in 2025, with the margin expanding from 9.3% to 13.8%. **The strongest step-up came in 2025, when EBIT rose 70.7% Y/Y**, supported by stronger operating scale and a clear improvement in segment profitability. **Manufacturing remained the main profit contributor**, with EBIT up 90.8% Y/Y to RON 77.6m and the segment margin expanding to 17.0%, driven by higher production volumes, better capacity utilisation and increased demand for electrical equipment. **EPC Services also improved materially**, with EBIT up 41.1% Y/Y to RON 37.5m and the margin reaching 10.0%, supported by ongoing infrastructure and renewable-energy projects. IT Services became operational in 2025 through Alfa Factory Software and remained in an early build-up phase, generating RON 0.8m in revenues and a limited EBIT loss of RON 0.2m in its first year of activity.

Over the same period, the balance sheet strengthened markedly, moving from 1.0x net debt/EBITDA in 2022 to a net cash position in 2024, before the IPO further improved liquidity in Q1 2026. At end-Q1 2026, Electro-Alfa reported RON 137.0m in cash and cash equivalents and RON 430.0m in short-term bank deposits, mainly reflecting IPO-related funds, partly offset by RON 90.6m of financial debt.

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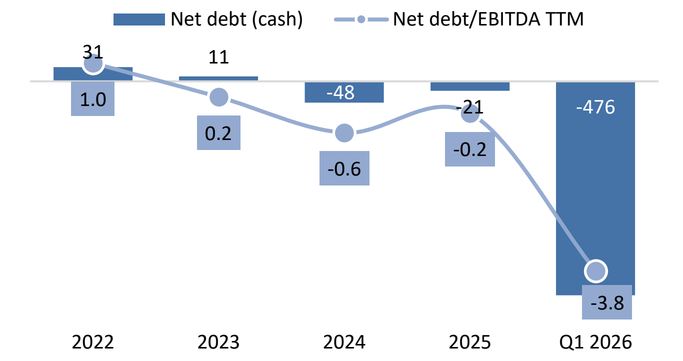
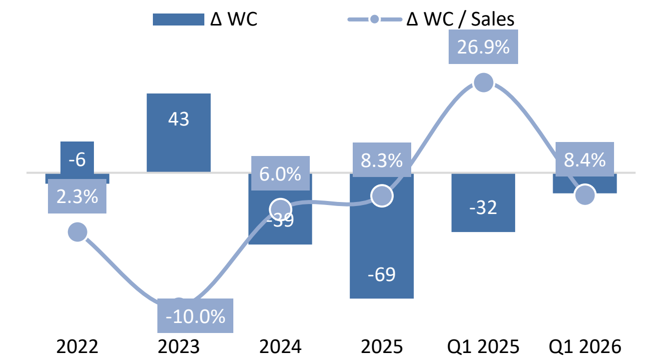
Electro-Alfa International: Net debt (RONm)



Source: Electro-Alfa International; Swiss Capital estimates

Electro-Alfa International: Δ WC (RONm)



Source: Electro-Alfa International; Swiss Capital estimates

Working-capital needs remained volatile, largely reflecting the timing of project execution, advance payments and receivable collections. A significant part of this volatility was linked to ANIF - the National Agency for Land Improvements - where the timing of collections temporarily released working capital in 2023, before sizeable receivable balances accumulated again toward period-end in 2024 and 2025. As a result, we treat the unusually low working-capital position in 2023 as non-recurring and use normalised working-capital assumptions in our forecasts.

Revenue

Electro-Alfa's revenue model is built around three reportable segments: **Manufacturing**, **EPC Services** and the newly launched **IT Services** line. Manufacturing comprises DOPE and DOSM, covering low- and medium-voltage electrical equipment, technical shelters and metal containers, while EPC Services brings together DOEV, DOA and DOLI, spanning renewable-energy EPC, general contracting and international tender-based supply activities. IT Services became operational in 2025 through Alfa Factory Software, the Group's 51%-owned software-development subsidiary, and remains an early-stage activity focused on internal digitalisation and AI-enabled software solutions.

The Group's revenue profile has scaled materially, with total revenues rising from RON 259.2m in 2022 to **RON 832.2m in 2025**, equivalent to a 3.2x increase. Growth remained strong in 2025, with revenues up **28.3% Y/Y**, supported mainly by the sharp increase in finished-product sales and continued expansion in EPC services. Finished-product revenues increased **59% Y/Y** to RON 452.0m, reflecting sustained demand for low- and medium-voltage electrical equipment, ongoing grid-modernisation investments and stronger deliveries across the Group's manufacturing platform.

EPC-related services remained the second growth pillar, with service revenues up **21.5% Y/Y** to RON 361.6m in 2025. This reflected stronger execution in project-related activities, particularly in general contracting and renewable-energy infrastructure, as Electro-Alfa continued to leverage its integrated manufacturing and EPC capabilities. By contrast, sale-of-goods revenues declined **77.7% Y/Y** to RON 14.9m, after an exceptional 2024 base driven by DOLI deliveries to Ukraine through externally financed aid and reconstruction programmes. Management attributed the 2025 decline to temporary uncertainty in the first part of the year around US support flows, noting that grant-

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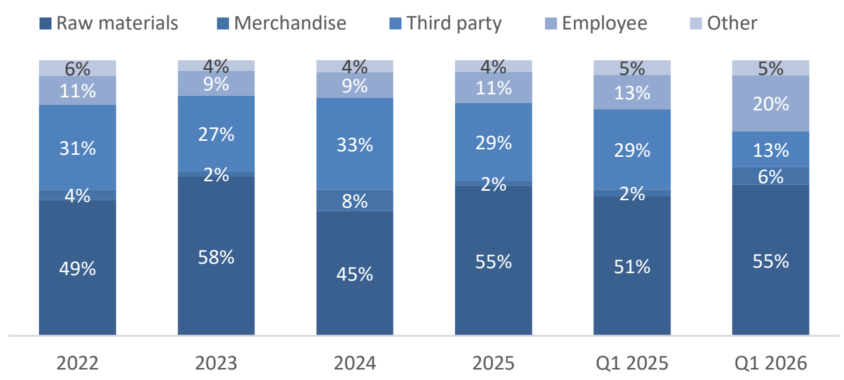
financed activity resumed in H2 2025, although part of the related deliveries was pushed into 2026 due to the longer implementation cycle of these contracts.

The revenue mix therefore shifted back towards manufacturing in 2025. Finished products represented **54.3% of total revenues**, up from 43.6% in 2024, marking a healthier mix than in the prior year, when DOLI-related goods sales temporarily inflated the services-side contribution. Services accounted for 43.5% of revenues, while sale of goods normalised to 1.8%. IT Services remained immaterial in revenue terms, generating **RON 0.8m** in its first year of activity, but strategically supports Electro-Alfa's broader industrial digitalisation agenda and the development of software and AI-enabled tools for production management and operational control.

Q1 2026 confirmed continued top-line growth, with revenues up **12.2% Y/Y** to RON 135.1m. Manufacturing remained the main contributor, generating RON 89.9m of external revenues, supported by sustained demand for low- and medium-voltage equipment and continued export deliveries. EPC Services generated RON 45.1m, reflecting ongoing infrastructure and renewable-energy projects, while IT Services continued its build-up through Alfa Factory Software. At revenue-type level, finished-product sales increased **26.9% Y/Y** to RON 88.7m and sale-of-goods revenues rose to RON 12.0m from RON 4.0m, while service revenues declined to RON 34.0m from RON 46.5m, reflecting the timing of EPC project execution and revenue recognition versus Q1 2025.

OPEX

Electro-Alfa International: OPEX structure



Source: Electro-Alfa International; Swiss Capital estimates

Raw materials

The Group's OPEX structure is largely shaped by the mix between manufacturing and EPC execution. Raw materials and merchandise remain the largest cost line, accounting for RON 396.9m in 2025, over 50% of total costs, up 30.7% Y/Y, broadly in line with the strong increase in finished-product sales and higher manufacturing volumes. Within this line, raw-material expenses rose to RON 386.3m, while merchandise costs fell sharply to RON 10.6m from RON 44.6m, consistent with the normalisation of DOLI-related sale-of-goods activity after the exceptional 2024 base.

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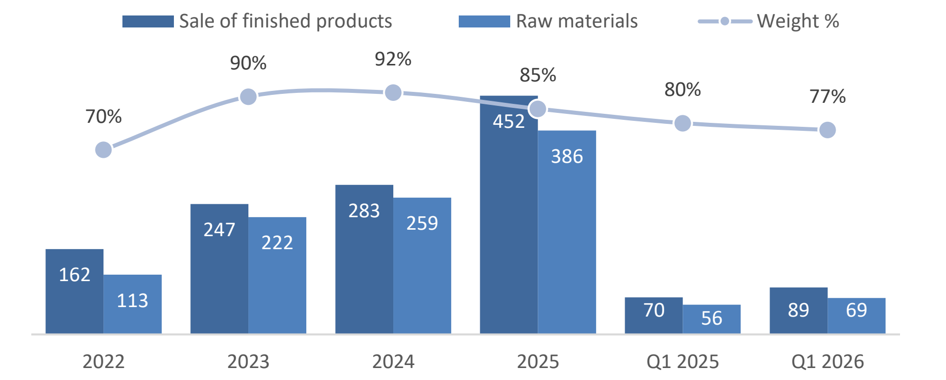
As a share of finished-product sales, raw-material costs have increased from 70% in 2022 to 92% in 2024 and now stand in the 80-90% range, indicating a structurally higher input-cost ratio in the most recent period.

Electro-Alfa International: Raw materials (RONm) and % of Finished-product sales

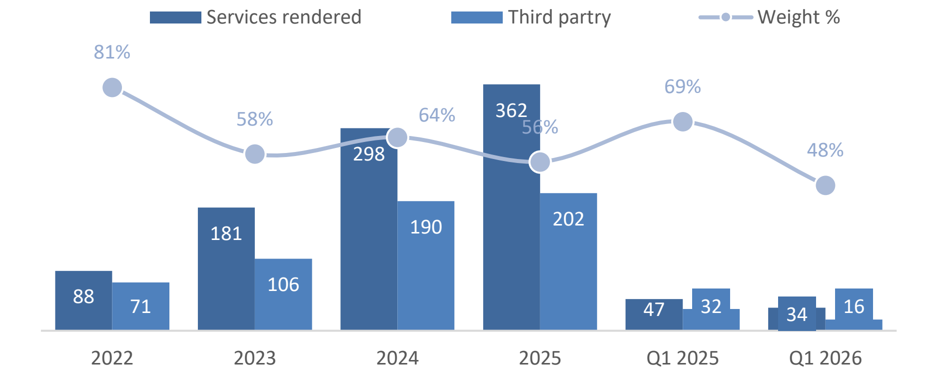


Source: Electro-Alfa International; Swiss Capital estimates

Third party

Service expenses are the second major cost component and mainly reflect subcontractors used in EPC projects, including works for the development, rehabilitation and modernisation of electricity networks and irrigation systems. In 2025, service expenses increased only **6.1% Y/Y** to RON 202.0m, materially below the 21.5% growth in service revenues, supporting the improvement in EPC profitability. Subcontractor expenses represented almost the entire line, at RON 201.2m, confirming the project-driven nature of the EPC cost base.

Electro-Alfa International: Third party (RONm) and % of Services rendered



Source: Electro-Alfa International; Swiss Capital estimates

Employee and collaborators

Personnel expenses increased **50.9% Y/Y** to RON 80.1m in 2025, reflecting the Group's broader operating scale, the strengthening of technical and management teams and the internalisation of part of the execution capacity following the absorption of personnel from EASI. The average number of employees increased to **382 in 2025**, from **282 in 2024**, while personnel costs remained relatively contained at **9.6% of sales**. This should be read together with the more moderate increase in third-party service expenses, which rose only **6.1% Y/Y**, suggesting a gradual shift of part of the execution capacity from subcontractors to the Group's own employee base.

In Q1 2026, the average number of employees rose further to **565**, reflecting the broader post-IPO operating platform and the ongoing internalisation of execution capacity. Personnel expenses reached **18.9% of sales**, but this ratio should not be annualised mechanically, as Q1 is typically a seasonally weaker quarter in terms of revenues, while the enlarged personnel base is already reflected in the cost structure. At the same time,

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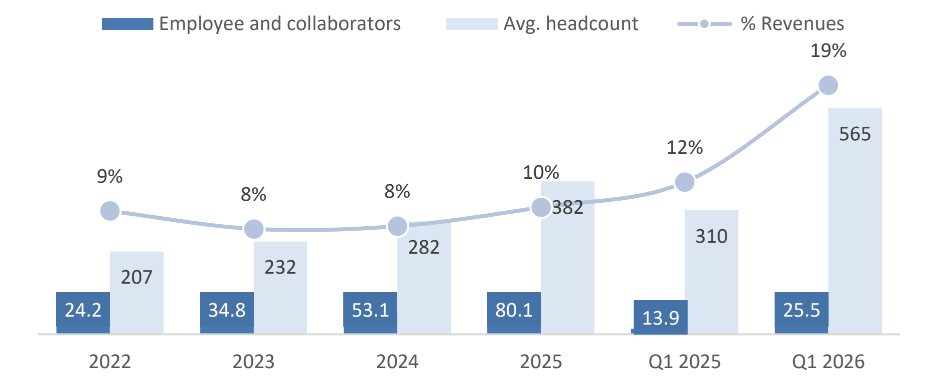
third-party service expenses declined materially Y/Y, reinforcing the shift towards a higher in-house execution component.

As a share of net turnover, employee benefits remained relatively contained in FY 2025, at **9.6% of revenues**, despite the expansion of the operating platform and the absorption of personnel from EASI. The average number of employees increased to **382 in 2025**, from **282 in 2024**, reflecting the strengthening of internal execution capacity.

Electro-Alfa International: Employee (RONm) and % Revenues



Source: Electro-Alfa International; Swiss Capital estimates

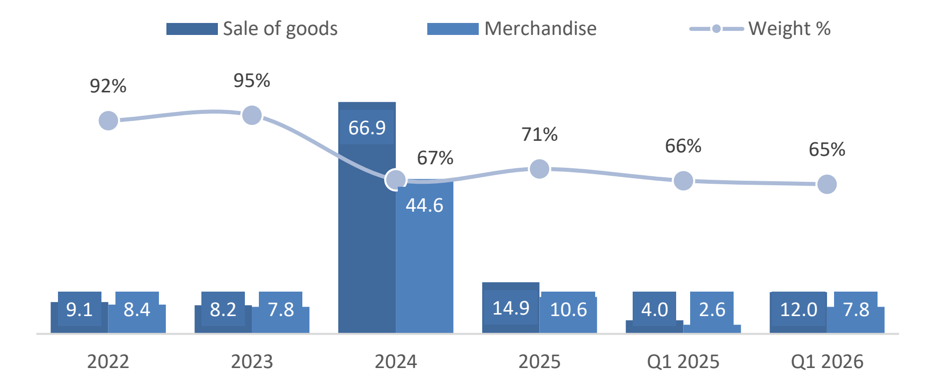
Merchandise

Merchandise costs closely track the sale-of-goods line, which is largely linked to DOLI's international tendering activity. After rising sharply in 2024, merchandise expenses normalised in 2025, declining **76.2% Y/Y** to RON 10.6m, in line with the **77.7% Y/Y** drop in sale-of-goods revenues to RON 14.9m. As a result, merchandise accounted for only **1.8% of total revenues** in 2025, compared with 6.9% in 2024, reflecting the episodic nature of this business line and the high 2024 comparison base created by externally financed deliveries to Ukraine.

In Q1 2026, merchandise expenses increased to RON 7.8m from RON 2.6m in Q1 2025, as sale-of-goods revenues rose to RON 12.0m from RON 4.0m. The line therefore remained volatile on a quarterly basis, reflecting the timing of DOLI deliveries and the pass-through nature of tender-based supply contracts.

Merchandise costs follow the sale-of-goods line and reflect DOLI's tender-based supply activity. The cost-to-revenue ratio declined from **92-95% in 2022-2023** to **67% in 2024** and **71% in 2025**, suggesting a more favourable pricing/cost profile for recent tenders. In Q1 2026, the ratio remained broadly similar at **65%**, though quarterly readings are volatile due to the timing of DOLI deliveries.

Electro-Alfa International: Merchandise (RONm) and % Sale of goods



Source: Electro-Alfa International; Swiss Capital estimates

Other (utilities, transport, repairs and maintenance, other operating costs and impairment losses on trade receivables)

Other operating costs - including utilities, transport, repairs and maintenance, impairments and miscellaneous expenses - remained a relatively small component of the cost base, accounting for around **4% of revenues** over 2022-2025 and **5% in Q1 2026**. The line increased to RON 28.5m in 2025, from RON 25.1m in 2024, broadly in line with the Group's larger operating scale and higher delivered volumes. Transport costs remained linked to finished-product deliveries, while utilities were partly offset by the Group's own photovoltaic installation, which covers roughly **65% of medium-**

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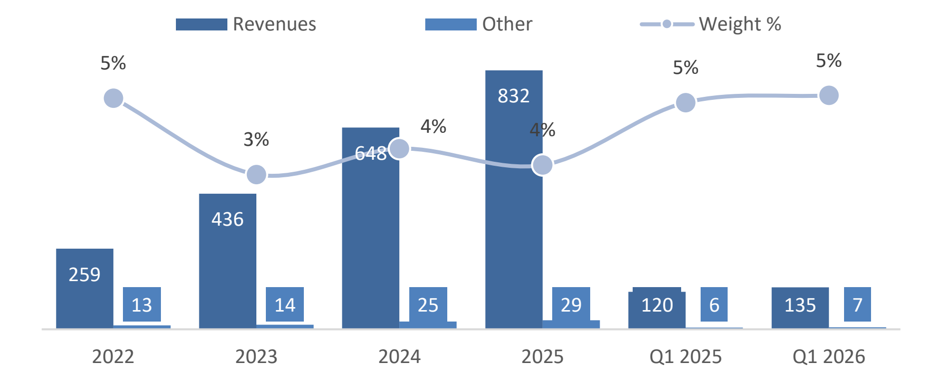
voltage plant consumption. Repairs and maintenance were carried out both through Electro Alfa Servicii Mentenanta and external providers.

Other operating costs remained relatively small and stable, at around **4% of revenues** in 2024-2025 and **5% in Q1 2026**. The category mainly includes utilities, transport, repairs and maintenance, CSR-related donations, protocol and advertising expenses, and movements in provisions.

Electro-Alfa International: Other OPEX and % Revenues



Source: Electro-Alfa International; Swiss capital estimates

Effective income tax

Electro-Alfa's effective tax rate has historically remained below the statutory 16% corporate income tax rate, averaging **11.8% over 2022-2024**, largely due to tax deductions related to sponsorship expenses. Donations to the **"Alfa Suflet si Energie" Foundation** averaged RON 1.3m per year over 2022-2024 and reached RON 1.4m in 2025. Management indicated during the Q1 2026 results call that a normalised effective tax rate of around **12-13%** remains sustainable, although Q1 can be distorted by seasonally lower profitability and the application of the minimum turnover tax.

Key balance sheet developments and selected particulars

Electro-Alfa's balance sheet strengthened materially following the IPO, with total assets increasing to **RON 1.13b at end-Q1 2026**, from **RON 695.5m at end-2025**. The increase was driven mainly by the placement of IPO-related funds in short-term bank deposits, with **RON 430.0m** recorded as deposits at end-Q1 2026, in addition to **RON 137.0m** in cash and cash equivalents. As a result, the Group moved from a modest net debt position of **RON 31.1m at end-2025** to a **net cash position of RON 476.4m at end-Q1 2026**, including short-term deposits as cash-like financial assets.

PP&E

Separately, the operating asset base also continued to expand. Property, plant and equipment increased **4.6% Y/Y** to **RON 78.1m** at end-2025, supported by additions to equipment, assets under construction related to the future extension of production facilities and the acquisition of a land plot adjacent to the medium-voltage factory, securing room for longer-term industrial capacity expansion.

Bank borrowings and leases

Bank borrowings increased in 2025, mainly to support the larger scale of operations and the associated working-capital needs. Long-term bank borrowings rose **7.5% Y/Y** to RON 47.3m at end-2025, while short-term bank borrowings increased to **RON 49.6m**, from RON 12.8m a year earlier, reflecting new working-capital facilities contracted during the year. RON-denominated facilities carry variable rates based on ROBOR plus a fixed margin, resulting in an effective interest range of **7-10%**, while EUR-denominated loans are priced at EURIBOR plus margin, with all-in rates between **4% and 6%**. Despite the higher gross debt, the Group's leverage profile remained conservative, and the IPO materially improved liquidity in Q1 2026, leaving Electro-Alfa in a sizeable net cash position when including short-term bank deposits.

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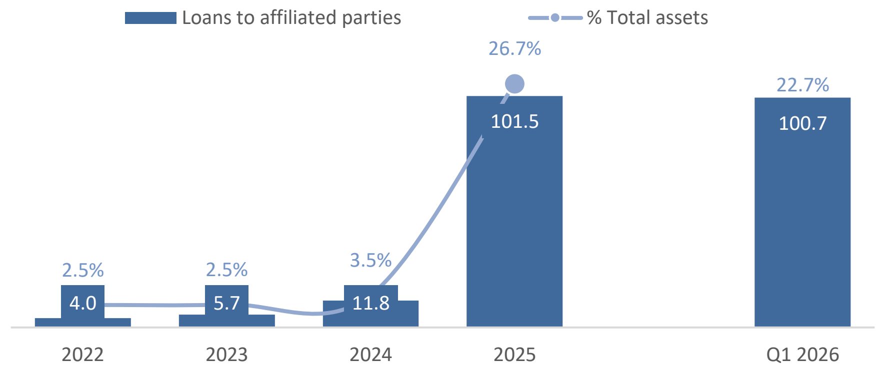
Loans to affiliated parties

Electro-Alfa International: Loans to affiliated parties (RONm) and % Total assets



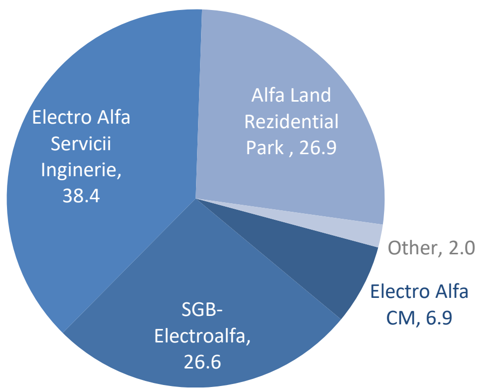
Source: Electro-Alfa International

Loans to affiliated parties increased sharply in 2025, reaching **RON 101.5m** at year-end, from RON 11.8m in 2024, reflecting two main developments. First, Electro-Alfa formalised its exposure to **Alfa Land Rezidential Park** through a related-party loan agreement, following the conversion of the previous receivable related to the real-estate project. The facility has a principal of **RON 25m**, bears interest at 8% per year and is repayable in equal monthly instalments over 24 months, starting from the 13th month after signing.

Second, Electro-Alfa granted sizeable loans to **Electro Alfa Servicii Inginerie (EASI)**, which acted as the acquisition vehicle for Elcomex and Spiact before the shares were transferred to Electro-Alfa International. These loans were therefore linked to the Group's post-IPO expansion plan and the acquisition process for the new strategic subsidiaries.

As of end-2025, the largest related-party loan exposures were to **EASI**, Alfa Land Rezidential Park and SGB-Electroalfa, indicating that the sharp increase was largely transaction-related rather than a recurring operating funding requirement.

Electro-Alfa International: Loans to affiliated parties (RONm) as of March 2026



Source: Electro-Alfa International

Contract assets and liabilities

Electro-Alfa's project-based business model benefits from a degree of customer pre-financing, as EPC and turnkey contracts are typically billed through advances and execution milestones. This is visible in contract liabilities, which generally exceeded contract assets over 2022-2025, reducing the working-capital burden during project execution. The only notable exception was 2024, when the balance temporarily turned

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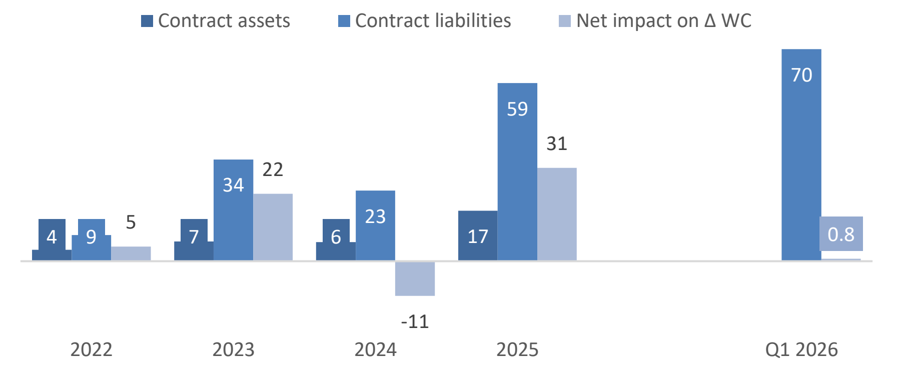
negative due to the timing of project execution and invoicing. By 2025 and Q1 2026, the position had normalised again, with contract liabilities rising to RON 59m and RON 70m, respectively, providing a positive working-capital contribution.

Electro-Alfa International: Contract assets and liabilities (RONm)



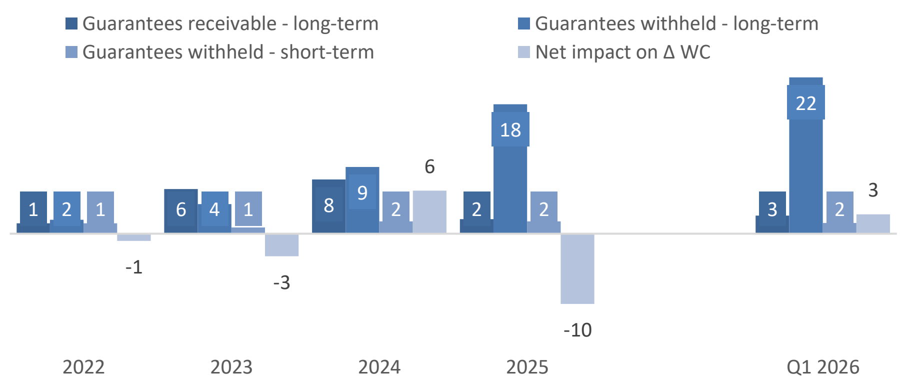
Source: Electro-Alfa International; Swiss Capital estimates

Guarantees assets and liabilities

Guarantee balances are a structural feature of Electro-Alfa's EPC activity, reflecting performance guarantees provided to clients and retention amounts withheld from subcontractors and suppliers. Guarantees receivable increased materially in 2025, reaching **RON 25m**, from RON 8m in 2024, as the Group's project base expanded and more guarantees remained blocked until final acceptance or the expiry of contractual warranty periods. On the liability side, guarantees withheld from suppliers also increased, with long-term balances rising to **RON 18m** in 2025, from RON 9m in 2024, while short-term guarantees remained broadly stable at RON 2m.

Overall, the net working-capital impact of guarantee-related balances has remained relatively contained, but volatile. The effect was mildly negative in 2022-2023, turned positive in 2024 as supplier retentions exceeded client-side guarantees, and became negative again in 2025, when guarantees receivable increased faster than guarantees withheld. In Q1 2026, the balance moved back to a modest positive contribution, reflecting the timing of project execution, warranty periods and guarantee releases.

Electro-Alfa International: Guarantees assets and liabilities (RONm)



Source: Electro-Alfa International; Swiss Capital estimates

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Strategy

Electro-Alfa International's 2026-2030 strategy is structured around five strategic pillars, consistent with the framework presented in the prospectus and reiterated by management after the IPO. The strategy is built around international expansion and sustainable development, supported by strategic partnerships and by European and Romanian investment programmes in infrastructure and digitalisation. Its competitive logic rests on three elements highlighted in the prospectus: differentiation through quality, an integrated offering and continuous innovation. The IPO brought the Group materially closer to executing this strategy, providing the balance-sheet capacity to fund expansion, acquisitions and new growth verticals, while reinforcing the transition from a domestic electrical-equipment manufacturer into a broader energy and infrastructure platform.

The first pillar focuses on strengthening Electro-Alfa International's position in the markets where it already operates, rather than entering unrelated verticals. These include energy infrastructure, where the Group is active across generation, networks and green-energy applications; road infrastructure, particularly electrical systems linked to high-speed, secondary and transregional road projects; railway, metro and tram infrastructure; civil and industrial construction, including healthcare, logistics and production facilities; irrigation and drainage systems; and aid-and-relief programmes, particularly those linked to Ukraine. Strategically, this pillar is the most important for the base-case investment story, as it builds directly on the Group's existing product portfolio, EPC know-how, client references and execution capabilities.

The second pillar targets expansion into domestic and international markets, with a strong focus on the EU, while also considering Ukraine and the Republic of Moldova. In this context, Ukraine remains the most immediate reconstruction-related opportunity, supported by the Group's DOLI platform for international tenders and by the logistical advantage of its Botosani base near the border. Moldova is also a logical regional target, given its energy-sector modernisation needs and gradual alignment with EU infrastructure and energy-market standards.

The third pillar is the development of modern energy systems and storage, including solutions for distribution and transmission operators and entry into the BESS segment. This is no longer only a conceptual opportunity: after Q1 2026, Electro-Alfa completed the acquisition of Solar Technologies Consulting, a project company holding the rights and authorisations for the development of a 52MW BESS facility in Selimbar. We still treat this as strategic optionality rather than a core forecast driver, pending clearer visibility on capex phasing, revenue model and monetisation route.

The fourth pillar focuses on M&A in energy and infrastructure, aimed at accelerating regional expansion and portfolio diversification. Post-IPO, Electro-Alfa International has already moved in this direction through Elcomex, Spiact Craiova and Electro Alfa CM, which broaden the Group's industrial base, execution capacity and access to qualification-intensive infrastructure projects. Further acquisitions or partnerships may target Ukraine, Western Europe or specialised infrastructure niches, but value creation will depend on disciplined capital allocation and successful integration.

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The fifth pillar is the expansion of capabilities in nuclear and railway infrastructure. Elcomex strengthens Electro-Alfa International's access to complex electrical works and nuclear-sector projects, while Spiact adds railway signalling, centralisation and rail-safety capabilities. Together, these acquisitions improve the Group's ability to compete for larger and more technically demanding infrastructure projects, where certifications, references and execution capacity are key barriers to entry.

Overall, the strategy is coherent because the five pillars reinforce the same platform: more equipment, deeper engineering, broader EPC execution and access to infrastructure niches with higher technical barriers. The main execution risk is not the availability of addressable markets, but the Group's ability to deploy IPO proceeds into capacity, acquisitions and new projects without diluting margins or cash conversion.

2026 Budget

Electro-Alfa International's 2026 budget points to a further step-up in scale, targeting **RON 1.014b in consolidated revenues**, a **24.7% gross margin**, EBITDA of **RON 133m** and a **13.1% EBITDA margin**, broadly consistent with management's message that an EBITDA margin around 13% is sustainable. The budget assumes a broadly stable split between domestic and international projects versus 2025, but with revenue generation weighted towards the second half of the year, in line with the Group's typical seasonality and the concentration of EPC project completions in Q4. It also includes the phased contribution of the announced acquisitions, with **Spiact Craiova consolidated from Q2 2026** and **Elcomex IEA from Q3 2026**, supporting a progressively stronger revenue contribution in H2. By contrast, the potential financial impact of Solar Technologies Consulting and the newly established engineering subsidiary is not included in the 2026 budget. On costs, the plan incorporates inflationary and labour-market pressures, including a **10% increase in the salary fund for existing employees**, while capex is budgeted at a moderate **EUR 3.6m**, mainly for maintenance and replacement investments, with no major capacity-expansion project approved at this stage.

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Valuation

We initiate coverage of Electro-Alfa International with a NEUTRAL recommendation and a target price of RON 14.5 per share, 0.8% higher versus the last close.

Our valuation is based on a DCF model with a five-year explicit forecast period to 2030E, followed by a terminal value calculated using a **3.0% perpetual growth rate**, broadly consistent with long-term inflation and nominal growth assumptions across the company's core markets. The resulting terminal value implies an exit multiple of **12.6x EV/EBITDA** on 2030E.

Electro-Alfa International: Discounted Cash Flow

(RONm)	2026E	2027E	2028E	2029E	2030E
EBIT	134.8	160.5	185.5	200.2	211.4
Tax on EBIT @ effective cash tax rate	(16.2)	(19.3)	(22.3)	(24.0)	(25.4)
D&A	11.9	16.1	21.6	25.8	28.0
CAPEX	(25.6)	(95.0)	(84.4)	(51.6)	(15.4)
(Increase)/decrease in Working Capital	67.1	(16.2)	(35.3)	(10.8)	(9.2)
FCFF	**172.0**	**46.1**	**65.1**	**139.6**	**189.4**
WACC	**11.2%**	**10.8%**	**10.3%**	**9.9%**	**9.5%**
Present value of FCF	163.8	39.6	50.7	99.0	122.7
Cumulative PV of FCF	163.8	203.5	254.2	353.1	**475.8**
Growth Rate	3.0%				
Terminal Value					3,027.7
PV of Terminal Value	**1,792.1**				
	RONm	**EURm**			
Enterprise Value*	**2,267.9**	**432.8**			
Plus: Latest reported Cash & equivalents (Q1'26)	567.0	108.2			
Minus: Latest reported debt (Q1 2026)	(90.6)	(17.3)			
Minus: Cash outflow for Elcomex (100%)	(52.4)	(10.0)			
Minus: NCI Spiact (49%)	(25.7)	(4.9)			
Minus: Cash outflow for Electro Alfa CM (33%)	(20.8)	(4.0)			
Plus: Loan reimbursement from related party	38.4	7.3			
Plus: NPV BESS project	42.4	8.1			
Equity Value *	**2,726.3**	**520.3**			
Target Price (RON per share)	**14.5**				
Current market price	14.3				
Upside	0.8%				
WACC assumptions					
Risk free rate	6.8%	6.3%	5.9%	5.4%	5.0%
Market risk premium	6.0%	6.0%	6.0%	6.0%	6.0%
Beta levered	0.8	0.8	0.8	0.8	0.8
Cost of debt	7.3%	6.8%	6.4%	5.9%	5.5%
Cost of equity	11.3%	10.9%	10.5%	10.1%	9.6%
Beta unlevered	0.8	0.8	0.8	0.8	0.8
Debt/(Debt+Equity)	1%	2%	4%	4%	4%

Source: Swiss Capital estimates

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The DCF uses a **12% effective cash tax rate**, in line with management's indication of a sustainable normalised tax rate of around 12-13%. This reflects EAI's historical tax profile, sponsorship-related deductions and the expected contribution of tax-exempt dividend income from financial investments.

The operating DCF derives an enterprise value of **RON 2.3b**. From this, we bridge to equity value by adding the latest reported liquidity position, including cash, cash equivalents and short-term bank deposits, and deducting reported financial debt. We also deduct the remaining cash outflows associated with the announced acquisitions, including the consideration for **Elcomex IEA** and the **33% stake in Electro Alfa CM**, and adjust for the fair value of the **49% non-controlling interest in Spiact Craiova**, as Spiact is consolidated operationally but not fully owned. Conversely, we add back the **RON 38.4m loan receivable from Electro Alfa Servicii Inginerie**, reflecting the bridge financing extended in relation to the Elcomex and Spiact acquisition process.

We also include a separate value for the **52MW BESS project** developed through **Solar Technologies Consulting**, which we treat as non-core strategic optionality rather than part of the base operating DCF. We apply a simplified project NPV, assuming total capex of **EUR 25m**, a revenue stack declining from around EUR 150k/MW/year to EUR 100k/MW/year, EBITDA margins easing from 90% to 70% over the project life and a 10% project discount rate. The resulting project IRR is c. **15.6%**, while the estimated NPV stands around **EUR 8m**, or **32% of capex**. We view this as a constructive but measured valuation credit, not de-risked operating value, given the standalone nature of the project and the limited visibility on revenue stack, financing and monetisation route.

The peer comparison provides a useful cross-check for the DCF and supports our **NEUTRAL** outcome. At the current market price, EAI trades at **15.3x EV/EBITDA 2026**, a **one-digit discount** to the selected peer median. However, we view this discount as **transitional**, as 2026 still reflects only the partial consolidation of Spiact and Elcomex. On 2027 metrics, when the announced acquisitions should be reflected for a full year, EAI trades at **12.7x EV/EBITDA**, implying a **5.5% premium** to the peer median. This suggests that the market is already pricing in the visible scale-up from the enlarged perimeter.

The relative valuation picture is therefore **balanced**. EAI offers stronger revenue growth than the peer group and scarce listed exposure to Romanian electrical equipment, EPC and energy-transition infrastructure, but this is already reflected in forward multiples once the full-year contribution of the announced acquisitions is captured. From here, the equity story depends less on recognising the enlarged perimeter and more on delivery: **acquisition integration, margin execution and disciplined deployment of IPO proceeds**.

At our target price, EAI remains broadly in line with the peer median. **We view this as a fair level for the stock at this stage of the post-IPO execution cycle.** The target price recognises EAI's stronger growth profile, post-IPO balance-sheet flexibility and exposure to attractive electrification markets, while not assuming a sustained premium before the Group demonstrates delivery on integration, margins and capital deployment.

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P/E multiples are less meaningful in the near term, in our view, as they are distorted by the sizeable IPO cash proceeds, which are reflected in market capitalisation but are not yet fully deployed into earnings-generating assets. We therefore rely primarily on **EV/EBITDA** as the cleanest relative valuation metric for the enlarged operating platform.

Among listed comparables, **Koncar** is arguably the most relevant reference point, given its regional profile, exposure to electrical equipment and energy infrastructure, and positioning as an integrated industrial platform. Other peers provide useful reference points for specific parts of the business - electrical-equipment manufacturing, automation, infrastructure electrification or project execution - but differ materially in scale, liquidity, diversification and market depth.

Electro-Alfa International: Peers group – Trading multiples

		Mkt Cap	EV/EBITDA				P/E				P/Sales			
Company name	**Country**	**(EURm)**	**2025A**	**2026E**	**2027E**	**2028E**	**2025A**	**2026E**	**2027E**	**2028E**	**2025A**	**2026E**	**2027E**	**2028E**
AS HARJU ELEKTER GROUP	Estonia	100	n.a.	n.a.	n.a.	n.a.	8.3	n.a.	n.a.	n.a.	0.5	n.a.	n.a.	n.a.
ELEKTROTIM SA	Poland	135	n.a.	n.a.	n.a.	n.a.	15.8	n.a.	n.a.	n.a.	0.8	n.a.	n.a.	n.a.
ARTECHE LANTEGI ELKARTEA SA	Spain	1,944	24.7	20.6	17.1	14.4	28.2	34.1	27.3	22.7	2.6	3.3	2.9	2.6
KONCAR D.S.T. DD	Croatia	2,281	8.3	9.1	8.8	9.0	13.6	16.2	16.0	16.5	3.8	3.2	2.9	2.8
KONCAR DD	Croatia	2,559	10.5	9.6	9.2	8.4	12.1	15.7	15.3	14.0	1.4	1.8	1.6	1.5
ASTOR ENERJI AS	Turkey	5,682	27.3	16.7	9.6	6.6	15.2	26.9	15.0	9.9	3.3	5.6	3.4	2.5
SPIE SA	France	8,224	9.2	8.7	8.1	7.5	n.m.	16.1	14.1	13.0	0.8	0.7	0.7	0.6
REXEL SA	France	11,254	9.7	9.2	8.6	8.0	16.8	15.4	13.4	11.9	0.5	0.6	0.5	0.5
LEGRAND SA	France	37,023	17.6	16.3	14.8	13.7	27.2	24.0	21.6	19.7	3.6	3.4	3.1	2.9
SIEMENS ENERGY AG	Germany	134,539	23.9	18.9	14.5	11.7	n.m.	35.6	25.8	20.0	2.3	3.1	2.7	2.4
SCHNEIDER ELECTRIC SE	France	155,631	17.3	17.9	15.9	14.1	32.2	27.5	23.5	20.4	3.3	3.6	3.9	3.0
ABB LTD	Switzerland	167,194	21.0	23.6	21.5	19.5	30.0	29.2	30.7	27.6	4.1	5.1	4.7	4.4
Median of peers			**17.5**	**16.5**	**12.0**	**10.4**	**16.3**	**25.5**	**18.8**	**18.1**	**2.4**	**3.3**	**2.9**	**2.5**
EAI @ Market Price		516	17.9	15.3	12.7	10.8	27.1	24.4	20.2	16.1	3.2	2.4	1.9	1.6
Premium (Discount)			*2.5%*	*-7.2%*	*5.5%*	*4.7%*	*66.1%*	*-4.4%*	*7.4%*	*-10.9%*	*35.4%*	*-27.7%*	*-35.2%*	*-35.9%*
EAI @ Target Price		520	18.1	15.5	12.8	10.9	27.3	24.6	20.4	16.2	3.3	2.4	1.9	1.6
Premium (Discount)			*3.5%*	*-6.3%*	*6.6%*	*5.8%*	*67.5%*	*-3.6%*	*8.3%*	*-10.2%*	*36.5%*	*-27.1%*	*-34.7%*	*-35.4%*

Source: Refinitiv Eikon; Swiss Capital estimates

Electro-Alfa International: Peers group - EBITDA margins & Revenue growth

	EBITDA margin			Revenue growth		
Company name	**2025A**	**2026E**	**2027E**	**2025A**	**2026E**	**2027E**
AS HARJU ELEKTER GROUP	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ELEKTROTIM SA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ARTECHE LANTEGI ELKARTEA SA	15.8%	16.3%	16.8%	13.6%	15.7%	14.5%
KONCAR DISTRIBUTIVNI I SPECIJALNI TRANSFOI	n.a.	31.4%	30.4%	9.5%	7.3%	8.6%
KONCAR DD	18.2%	17.7%	17.4%	25.2%	10.6%	9.4%
ASTOR ENERJI AS	26.4%	32.6%	34.7%	-19.0%	28.8%	64.1%
SPIE SA	10.5%	10.3%	10.4%	4.8%	7.7%	7.3%
REXEL SA	8.1%	8.3%	8.5%	0.7%	4.2%	5.1%
LEGRAND SA	25.0%	23.9%	24.1%	9.6%	13.9%	9.1%
SIEMENS ENERGY AG	10.1%	15.2%	17.5%	13.4%	12.4%	14.0%
SCHNEIDER ELECTRIC SE	21.7%	21.7%	22.7%	5.2%	8.3%	8.9%
ABB LTD	19.6%	22.1%	22.6%	2.9%	11.7%	8.9%
Median of peers	**18.2%**	**19.7%**	**20.1%**	**7.4%**	**11.2%**	**9.0%**
EAI	**15.1%**	**12.8%**	**12.3%**	**28.3%**	**38.2%**	**24.5%**

Source: Refinitiv Eikon; Swiss Capital estimates

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Key DCF assumptions

CAPEX

2026 public capex guidance is modest, at EUR 3.6m.

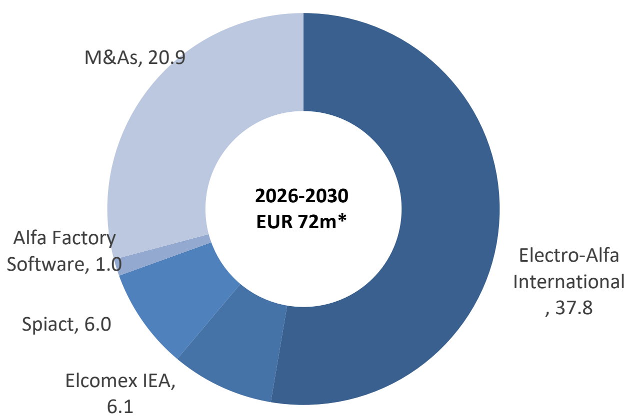
Electro-Alfa International's 2026 budget points to a moderate capex envelope of **EUR 3.6m**, mainly for maintenance and replacement investments, with no major capacity-expansion project approved at this stage. Beyond 2026, however, we expect investment activity to pick up as the enlarged perimeter stabilises and the Group starts deploying part of its post-IPO liquidity into the investment agenda required to support the broader platform.

We estimate 2026-2030 operating capex at around EUR 51m, of which EUR 37.8m at EAI standalone.

Spiact and Elcomex add EUR 6m each, mainly for upgrades, retechnologisation and project-delivery capacity.

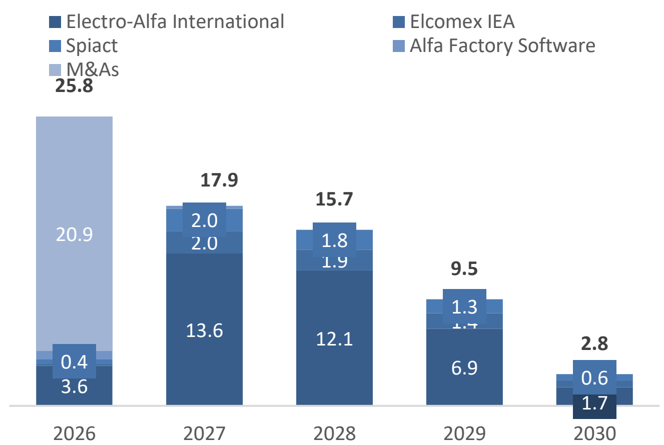
Our estimates should be read as **Swiss Capital assumptions**, not company guidance. We forecast cumulative **operating capex of around EUR 51m** over 2026-2030, excluding M&A and the BESS project. The largest component is EAI standalone, where we model **EUR 37.8m** of capex, directed mainly towards medium-voltage production capacity, automation, R&D, maintenance and selected upgrades to support higher activity levels. We also include around **EUR 6.1m** for Elcomex IEA and **EUR 6.0m** for Spiact Craiova, aimed mainly at retechnologisation, equipment upgrades and strengthening project-delivery capacity, plus **EUR 1.0m** for Alfa Factory Software. In the later forecast years, the capex profile increasingly reflects recurring maintenance investments, broadly aligned with the enlarged asset base.

Electro-Alfa International: 5Y estimated operating CAPEX and announced M&As (EURm)



*Source: Swiss Capital estimates; *CAPEX excludes the EUR 25m BESS investment which is treated separately*

Electro-Alfa International: 2026E-2030E operating CAPEX and announced M&As (EURm)



Source: Swiss Capital estimates

Including announced M&A, identified capital deployment reaches EUR 72m, before the BESS project.

Including announced M&A, identified capital deployment reaches around EUR 72m over 2026-2030. This includes EUR 21m already committed to the first wave of announced transactions, covering Elcomex IEA, the 51% stake in Spiact Craiova, the 33% stake in Electro Alfa CM and the acquisition of Solar Technologies Consulting. We therefore separate clearly between operating capex, which supports the Group's industrial and execution platform, and M&A, which reflects the post-IPO expansion perimeter already announced.

BESS optionality: EUR 25m estimated project value

Separately, the Group plans to develop a 52MW battery energy storage project in Selimbar, Sibiu County, through Solar Technologies Consulting, with an estimated development value of approximately EUR 25m. Given the limited public visibility on the

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52MW storage project in Selimbar, treated separately through project NPV

project's capex phasing, financing structure, revenue model and monetisation route, we do not include this amount in operating capex. Instead, we treat the BESS project as strategic optionality and value it separately through a project NPV in the EV-to-equity bridge. This avoids double-counting the development capex while still recognising the potential value of the storage asset.

RON 544.3m of IPO net proceeds leave EAI with meaningful firepower for future M&A.

The sizeable IPO proceeds - **RON 544.3m net**, equivalent to roughly **EUR 109m** - leave EAI with meaningful capital-allocation flexibility. In our base case, we estimate around **EUR 72m** of operating capex and announced M&A over 2026-2030, while the **EUR 25m** BESS project remains a separate strategic avenue rather than a committed operating-capex item. In practice, the Group retains flexibility to allocate capital between organic capex, storage development, further acquisitions and shareholder distributions, depending on project visibility, M&A opportunities and expected returns.

Electro-Alfa International (consolidated)

Consolidated revenues are forecast to reach RON 1.98b by 2030, or 2.4x the 2025 level.

EAI standalone remains the main growth engine, while Spiact and Elcomex add scale from 2026.

On a consolidated basis, we forecast Electro-Alfa's net turnover to increase from **RON 832m in 2025** to **RON 1.15b in 2026** and **RON 1.98b by 2030**, meaning that sales are expected to reach **2.4x the 2025 level**. The increase is driven mainly by the expansion of the core EAI standalone business, supported by the phased consolidation of **Spiact Craiova from Q2 2026** and **Elcomex IEA from Q3 2026**. Over 2025-2030, consolidated revenues are forecast to grow at a **19% CAGR**, with the EAI standalone business still accounting for the largest part of the increase.

EBITDA growth is driven mainly by volume and consolidation, not by margin expansion.

The consolidated EBITDA margin normalises from 15.1% in 2025 to slightly above 12% over 2027-2030.

EBITDA is forecast to rise from **RON 125.5m in 2025** to **RON 147.5m in 2026** and **RON 239m by 2030**, implying a **14% CAGR** over 2025-2030. The increase is driven primarily by scale rather than assumed margin expansion. We forecast the consolidated EBITDA margin to normalise from the unusually strong **15.1% in 2025** to **12.8% in 2026**, before stabilising slightly above **12%** over 2027-2030.

Elcomex is the main source of margin dilution, reflecting our cautious turnaround assumptions.

The modest margin dilution mainly reflects the widening of the consolidation perimeter, particularly the inclusion of Elcomex, where we maintain cautious margin assumptions given the company's weak recent performance and limited public visibility on order conversion. On **EAI standalone**, we estimate the business can reasonably sustain an EBITDA margin of around **13%**, roughly in line with management's guidance, while Spiact provides a visible backlog-driven contribution but at a structurally different margin profile.

The cost base expands materially as the Group scales, with higher headcount and continued subcontractor use in EPC execution.

The consolidated cost base expands materially as the Group scales. Employee expenses are forecast to increase from **RON 80.1m in 2025** to **RON 156.7m in 2026** and **RON 303.5m by 2030**, reflecting both organic growth and the consolidation of Spiact and Elcomex with the average number of employees increasing close to 800 by the end of the forecast period. Third-party services also increase, as EPC execution remains subcontractor-intensive. Raw materials and merchandise remain the largest cost line, but decline as a share of revenues in 2026 as the consolidation mix shifts away from EAI's pure finished-product-heavy profile.

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Electro-Alfa International: 2025E-2030E Key consolidated metrics:

(RONm)	2024A	2025A	2026E	2027E	2028E	2029E	2030E	2025-2030 CAGR	2025x
Revenues	**648.4**	**832.2**	**1,150.5**	**1,432.3**	**1,670.1**	**1,827.2**	**1,976.0**	**18.9%**	**2.4x**
Y/Y	48.8%	28.3%	38.2%	24.5%	16.6%	9.4%	8.1%		
Revenues (EURm)	**130.4**	**164.0**	**222.3**	**274.8**	**318.2**	**345.7**	**371.3**	**17.8%**	**2.3x**
Electro Alfa International	648.4	832.2	1,020.1	1,166.2	1,313.8	1,462.5	1,602.6	14.0%	1.9x
Elcomex			42.3	120.1	232.3	236.9	241.7		
Spiact			88.2	146.0	124.1	127.8	131.7		
Other operating income	1.5	1.7	5.9	9.2	9.5	9.8	10.0		
OPEX	**572.3**	**708.4**	**1,009.7**	**1,264.9**	**1,472.5**	**1,611.0**	**1,746.5**	**19.8%**	**2.5x**
Employees	53.1	80.1	156.7	208.9	247.0	274.7	303.5	30.5%	3.8x
% Revenues	8.2%	9.6%	13.6%	14.6%	14.8%	15.0%	15.4%		
Avg. no of employees	282	382	660	705	754	713	772	15.1%	2.0x
Raw materials and merchandise	303.7	396.9	516.2	616.7	719.9	793.3	860.0	16.7%	2.2x
% Revenues	46.8%	47.7%	44.9%	43.1%	43.1%	43.4%	43.5%		
Third parties	190.4	202.0	297.2	387.5	445.0	477.4	513.0	20.5%	2.5x
% Revenues	29.4%	24.3%	25.8%	27.1%	26.6%	26.1%	26.0%		
Other operating expenses	25.1	29.3	39.7	51.8	60.6	65.7	70.0	19.0%	2.4x
% Revenues	3.9%	3.5%	3.4%	3.6%	3.6%	3.6%	3.5%		
EBITDA	**77.6**	**125.5**	**146.7**	**176.6**	**207.1**	**226.0**	**239.4**	**13.8%**	**1.9x**
Electro Alfa International	77.6	125.5	135.1	154.8	173.0	193.2	207.8	10.6%	1.7x
Elcomex			1.9	5.0	22.3	20.9	19.6		
Spiact			9.8	16.8	11.8	11.9	12.1		
EBITDA margin	12.0%	15.1%	12.8%	12.3%	12.4%	12.4%	12.1%		
Electro Alfa International	12.0%	15.1%	13.2%	13.3%	13.2%	13.2%	13.0%		
Elcomex			4.4%	4.1%	9.6%	8.8%	8.1%		
Spiact			11%	12%	10%	9%	9%		

Source: Electro-Alfa International; Swiss Capital estimates

Dividend flows from SGB Electro-Alfa JV and Electro Alfa CM to support the net financial result.

The **SGB Electro-Alfa JV** and **Electro Alfa CM** are treated as financial investments rather than consolidated operating subsidiaries. As a result, their economic contribution is reflected through **dividend income in the net financial result**, rather than through revenues or EBITDA. Under IFRS, these interests are measured either at cost or at fair value through OCI, with dividend income recognised in profit or loss when the shareholder's right to receive payment is established. Dividends from such financial instruments are tax-exempt and, in line with statutory practice, are typically received with a one-year lag after approval at the investee level.

Neither entity has articulated a formal dividend policy, but we assume distributions broadly aligned with Electro-Alfa's commitment to pay out at least **30% of annual net profit**, once the businesses move beyond their ramp-up phase.

SGB Electro-Alfa JV. The investment in the SGB Electro-Alfa JV is structured in two phases. The first phase, launched in 2025, covers around **40%** of the plant's planned 2029 capacity of **10,000 units**. Initial deliveries start in 2025, positioning the facility as a conduit between Electro-Alfa and customers across Europe, including Romania. The plant manufactures oil-filled distribution transformers in the **50-1,000 kVA** range, a product class linked to network reinforcement, renewable-generation integration and routine replacement cycles within European distribution grids.

We expect the SGB Electro-Alfa JV to turn profitable in 2026, although no dividend inflows are assumed during the ramp-up phase. On our estimates, the JV could reach around **EUR 100m** in sales by 2029, with a net profit margin of roughly **10%**. Applying a **30% payout ratio** from 2027 earnings onwards, the structure would deliver net-of-tax dividend income of around **RON 4.9m in 2028**, **RON 5.9m in 2029** and **RON 6.5m in 2030**.

Electro Alfa CM. Electro Alfa CM manufactures sheet-metal components and had an average workforce of **233 employees** in 2025. The company generated RON 74m in sales in 2025, up 14% Y/Y. Profitability has historically been variable: over 2020-2024, the EBITDA margin fluctuated between 8.8% and 16.9%, while in 2025 it stood at 9.6%. Net profit margins have also been volatile, ranging from 0.4% to 9.9%. In 2025, the company posted net earnings of **RON 1.3m**, implying a **1.8%** margin.

We forecast Electro Alfa CM's revenues to grow at a **9% CAGR**, reaching **RON 115m by 2030**. As operating scale improves, we estimate the net profit margin to rise from **1.8% in 2025** to **5.1% by 2028**, before settling around **3.6% by 2030**, implying a median margin of **3.9%** over 2025-2030. In line with the approach applied to the SGB Electro-Alfa JV, we assume dividend distributions to begin from 2027 earnings, based on a **30% payout ratio**. On this basis, net-of-tax dividend income would amount to **RON 0.3m in 2028**, **RON 0.7m in 2029** and **RON 0.6m in 2030**.

Accordingly, combined net-of-tax dividend income from the two financial investments is estimated at **RON 5.3m in 2028**, rising to **RON 6.7m in 2029** and **RON 7.1m in 2030**.

Effective tax rate

Although Electro-Alfa reports revenues above the EUR 50m threshold, the Group is not structurally taxed under the 1% minimum turnover tax, as the standard corporate income tax remains higher in normal profitability conditions. Electro-Alfa's effective tax rate has historically been below the statutory 16% rate, averaging **11.5% over 2022-2025**, mainly due to sponsorship-related tax deductions. Management indicated during the Q1 2026 results call that a normalised effective tax rate of around **12-13%** remains sustainable, although quarterly tax charges may be distorted by seasonality, as seen in Q1 2026, when the Group paid the minimum turnover tax. We therefore forecast the effective tax rate to remain close to **12%** in the near term, before easing gradually from 2028 onwards as tax-exempt dividend income from SGB Electro-Alfa JV and Electro Alfa CM becomes more visible in the net financial result.

Net profit

We forecast 2026 net profit to reach **RON 114.7m**, up **15% Y/Y**, supported by EBITDA of **RON 146.7m**, up **17% Y/Y**. This is **10% above management's 2026 EBITDA budget** of RON 133m, driven mainly by our **13.5% higher revenue assumption** rather than a materially different margin view.

Over 2025-2030, net profit attributable to owners is forecast to grow at a **14% CAGR**, reaching **RON 193m by 2030**, or around **1.9x the 2025 level**.

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Dividends

Electro-Alfa's dividend policy targets the distribution of at least **30% of annual consolidated IFRS net profit**, while preserving flexibility for growth investments, acquisitions and expansion into new markets.

In 2026, the company approved a gross dividend of **RON 0.21/share**, equivalent to a total distribution of **RON 39.6m**, payable from previously undistributed profits. Although the distribution related to prior-year retained earnings, it was payable to all shareholders registered on the record date, including the post-IPO free float, as all EAI shares carry equal dividend rights.

For valuation purposes, we take a cautious approach and assume a **30% payout ratio from 2026 earnings onwards**, in line with the minimum level stated in the dividend policy and in the absence of more specific payout guidance. We do not assume any dividend distribution from 2025 earnings beyond the already approved RON 0.21/share payment, as no separate distribution from the 2025 result has been announced.

In our view, however, Electro-Alfa's generous post-IPO cash position could justify a higher payout ratio over time, particularly if no sizeable M&A opportunities or large-scale strategic investments materialise. This would leave room for shareholder distributions above the stated minimum without necessarily constraining the Group's capacity to fund its organic growth plan.

Working capital

Working-capital dynamics remain volatile, but the main driver shifts over the forecast period. The 2023-2025 swings were largely driven by the timing of ANIF-related receivable collections, with a strong release in 2023 followed by sizeable build-ups in 2024 and 2025. In 2026, we forecast a RON 67.1m working-capital release, as the elevated 2025 position normalises and operating liabilities increase within the enlarged group. From 2027 onwards, working capital gradually rebuilds with scale, but annual absorption remains moderate with the working-capital ratio reaching 4.1% by 2030.

Electro-Alfa International: Working capital

(RONm)	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Operating Current Assets (CA)	170.9	171.2	403.6	390.3	478.4	573.0	637.4	700.7
Operating Current Liabilities (CL)	175.5	136.5	326.7	380.5	452.4	511.6	565.2	619.4
Working Capital (CA-CL)	-4.6	34.7	77.0	9.8	26.0	61.4	72.1	81.4
% Revenues	0.0%	5.4%	9.3%	0.9%	1.8%	3.7%	3.9%	4.1%
Δ WC	43.4	-39.1	-42.3	67.1	-16.2	-35.3	-10.8	-9.2
% Revenues	-10.0%	6.0%	5.1%	-5.8%	1.1%	2.1%	0.6%	0.5%

Source: Electro-Alfa International; Swiss Capital estimates

We present below the main forecast drivers separately for EAI standalone, Spiact Craiova and Elcomex IEA, as each business has a different growth profile, margin structure and consolidation timing.

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Electro-Alfa International (standalone)

Electro-Alfa International: Revenues (standalone)

(RONm)	2024A	2025A	2026E	2027E	2028E	2029E	2030E	2025-2030 CAGR	2025x
Revenues	**648.4**	**832.2**	**1,020.1**	**1,166.2**	**1,313.8**	**1,462.5**	**1,602.6**	14.0%	**1.9x**
Y/Y		28.3%	22.6%	14.3%	12.6%	11.3%	9.6%		
Sale of finished products (DOPE + DOSM)	**282.9**	**452.0**	**526.8**	**581.4**	**642.0**	**706.4**	**749.6**	**10.6%**	**1.7x**
Y/Y		59.8%	16.5%	10.4%	10.4%	10.0%	6.1%		
Provision of services	364.5	376.5	489.3	580.7	667.6	751.8	848.6	17.6%	2.3x
Y/Y		3.3%	30.0%	18.7%	15.0%	12.6%	12.9%		
Sale of goods (DOLI)	**66.9**	**14.9**	**39.5**	**43.4**	**47.8**	**62.1**	**80.7**	**40.2%**	**5.4x**
Y/Y		-77.7%	165.1%	10.0%	10.0%	30.0%	30.0%		
EPC services rendered (DOA + DOEV+ IT)	**297.6**	**361.6**	**449.8**	**537.3**	**619.8**	**689.7**	**767.9**	**16.3%**	**2.1x**
Y/Y		21.5%	24.4%	19.4%	15.4%	11.3%	11.3%		
Other revenue	1.1	3.7	4.0	4.1	4.2	4.3	4.4	3.7%	1.2x

Source: Swiss Capital estimates

Revenues

Standalone revenues are expected to almost double by 2030, driven mainly by the core manufacturing and EPC platform.

For EAI standalone, we forecast net turnover to increase from **RON 832m in 2025** to **RON 1.02b in 2026** and **RON 1.6b by 2030**, implying a **14.0% CAGR** over 2025-2030 and a near-doubling of the standalone revenue base. Given the more aggregated disclosure in the 2025 annual report, we present the forecast using the reported revenue categories: **sale of finished products**, **sale of goods** and **EPC services rendered**. Economically, however, these lines continue to reflect the Group's divisional structure: finished products capture the manufacturing activity of DOPE and DOSM, sale of goods reflects DOLI's international tendering activity, while EPC services combine project execution across DOA and DOEV.

The near-term forecast is anchored in management's public 2026 budget and backlog. EAI standalone revenues are estimated to increase **22.6% Y/Y** in 2026, to RON 1.02b, broadly consistent with management's indication that around **65-75% of the 2026 sales plan** was already covered by contracts in execution at the time of the Q1 results call. Over 2027-2030, we pencil in a more moderate, but still solid, growth trajectory, with annual revenue growth gradually easing from 14.3% in 2027 to 9.6% by 2030. This reflects the much higher revenue base after the 2022-2026 scale-up, potential execution-capacity constraints, investment delays in large infrastructure projects and competitive pressure in both equipment and EPC markets.

Sales of finished products

Finished products remain the largest revenue line, with growth moderating after the strong 2025 step-up but supported by grid, energy and modular-infrastructure demand.

Sale of finished products remains the largest revenue line and is forecast to increase from **RON 452m in 2025** to **RON 527m in 2026** and **RON 750m by 2030**, implying a **10.6% CAGR** over 2025-2030. Within this line, DOPE remains the core contributor, supported by demand for low- and medium-voltage electrical equipment, transformer stations, switchgear and related equipment used in grid modernisation, renewable integration and industrial infrastructure. We assume growth moderates after the very strong 2025 performance, but remains underpinned by the division's established client base, short production-to-billing cycle and continued domestic and international demand.

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A relevant feature of the DOPE business is the relatively short conversion cycle between contracting and billing, typically around **2-4 months**. This means that orders secured by year-end can flow directly into early-year revenues, while contracts signed through the first half can still be recognised within the same financial year. As a result, year-end backlog captures only part of the following year's workload and is not, by itself, a full indicator of annual turnover. For 2026, however, management's backlog coverage comment provides meaningful comfort, as a large share of the sales plan was already covered by contracts in execution, while the remaining volume requires a contracting pace that we view as achievable relative to the division's historical order-intake capacity.

The second manufacturing sub-line is DOSM, which covers metal shelters, containerised technical buildings and E-Houses. We treat this as a smaller but strategically attractive growth area, supported by demand for modular infrastructure in energy, storage, industrial and data-centre applications. After the sharp step-up recorded in 2025, we do not model another abrupt jump, but rather a gradual scaling path as the opportunity converts into orders. The structural drivers remain favourable, particularly as BESS deployment and power-intensive infrastructure create demand for prefabricated, containerised and technically equipped enclosures.

Sales of goods

DOLI remains volatile, but we assume a gradual recovery from the low 2025 base as donor-funded and Ukraine-related tender activity normalises.

Sale of goods, reflecting DOLI's tender-based supply activity, remains a volatile revenue line. After declining to **RON 14.9m in 2025** from the exceptional RON 66.9m level recorded in 2024, we forecast a rebound to **RON 39.5m in 2026** and **RON 80.7m by 2030**. The 2026 recovery reflects the normalisation of grant-financed activity after the temporary uncertainty seen in 2025, with part of the related deliveries pushed into 2026 due to the longer implementation cycle of these contracts. Beyond 2026, we keep the forecast cautious despite the sizeable opportunity linked to Ukraine reconstruction, as the line remains episodic and dependent on donor-funded programmes, tender timing and award conversion.

EPC - service revenues

EPC services are expected to remain the main services growth driver, supported by DOA project visibility and a gradual DOEV recovery as BESS deployment improves grid flexibility.

EPC services rendered are expected to be the main growth driver on the services side, increasing from **RON 361.6m in 2025** to **RON 449.8m in 2026** and **RON 767.9m by 2030**, equivalent to a **16.3% CAGR** over 2025-2030 and **a 2.1x** expansion vs 2025. The line combines two businesses with different profiles. DOA is the broader general contracting platform, with exposure to power networks, substations, industrial infrastructure, public utilities, irrigation and increasingly power-intensive infrastructure such as data centres. Its growth is supported by visible project execution and public-procurement opportunities, although we assume a gradual moderation after the 2026 step-up, as the business moves from rapid scale-up towards a more sustainable execution pace.

DOEV has a more specific renewable-energy and storage profile. Romania's solar roll-out has been exceptionally fast, with installed PV capacity rising from 1.8GW in 2022 to 5.7GW in 2025, while the NECP targets 10GW by 2030 and 14GW by 2035, including prosumers. However, we view the pace of future large-scale PV execution as increasingly constrained by grid-connection capacity and the slower development of storage. BESS deployment has started to accelerate, with Transelectrica data pointing to **599MW / 1.13GWh** of operational storage capacity as of April 2026, up materially from the low base recorded in 2024. Even so, this remains well below the level required to fully

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integrate the planned renewable pipeline, with Transelectrica's assessments indicating a need for **4.8-9.6GW / 10-20GWh** of storage by 2030. On this basis, we assume part of the large-scale PV pipeline is pushed beyond our explicit forecast period, while BESS-related EPC activity gradually builds from a low base as storage deployment gains momentum. This leads to a softer near-term contribution from DOEV, followed by a return to growth from 2027 onwards as storage deployment improves system flexibility and creates conditions for part of the deferred PV pipeline to re-enter execution.

Overall, **our EAI standalone revenue forecast remains constructive, but not aggressive**. Sales are expected to almost double by 2030, driven mainly by the expansion of the existing manufacturing and EPC platform, while DOLI contributes selectively when tender-based opportunities materialise. We therefore do not rely on a single large new market or a step-change in one division, but on a broader expansion of the core business across electrical equipment, modular infrastructure, EPC execution, renewable integration, storage and international tendering.

Electro-Alfa International: OPEX & EBITDA (standalone)

(RONm)	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2025-2030 CAGR	2025x
Revenues	**648.4**	**832.2**	**1,020.1**	**1,166.2**	**1,313.8**	**1,462.5**	**1,602.6**	**14.0%**	**1.9x**
Y/Y		28.3%	22.6%	14.3%	12.6%	11.3%	9.6%		
Other income	1.5	1.7	1.7	1.8	1.8	1.8	1.9	2.0%	1.7x
Employees and collaborators	**53.1**	**80.1**	**130.0**	**144.7**	**167.0**	**190.8**	**215.9**	**21.9%**	**2.7x**
Y/Y		50.9%	62.2%	11.3%	15.4%	14.3%	13.2%		
% Revenues	8.2%	9.6%	12.7%	12.4%	12.7%	13.0%	13.5%		
Salaries and other remuneration	48.7	73.1	118.9	132.4	152.8	174.6	197.5	22.0%	2.7x
Avg no. of employees	282	382	565	595	654	713	772		
Average monthly gross salary	14,400	15,957	17,537	18,554	19,482	20,417	21,336		
Y/Y			9.9%	5.8%	5.0%	4.8%	4.5%		
Social security contributions	1.6	2.4	3.9	4.4	5.1	5.8	6.5		
% Salaries and other remuneration	3.2%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%		
Meal tickets	2.8	4.6	7.1	7.9	9.2	10.5	11.9		
% Salaries and other remuneration	5.8%	6.2%	6.0%	6.0%	6.0%	6.0%	6.0%		
Raw materials and merchandise	**303.7**	**396.9**	**485.2**	**548.7**	**614.3**	**685.2**	**749.5**	**13.6%**	**1.9x**
Y/Y		30.7%	22.2%	13.1%	12.0%	11.5%	9.4%		
% Revenues	46.8%	47.7%	47.6%	47.0%	46.8%	46.9%	46.8%		
Raw materials	**259.1**	**386.3**	**457.0**	**517.7**	**580.2**	**640.9**	**691.8**	**12.4%**	**1.8x**
Manufacture of electrical equipment	139.5	267.3	310.8	343.0	378.8	416.8	442.3	10.6%	1.7x
% Sale of finished products	49.3%	59.1%	59.0%	59.0%	59.0%	59.0%	59.0%		
Provision of EPC services	119.6	119.0	146.2	174.6	201.4	224.1	249.6	16.0%	2.1x
% EPC service rendered	40.2%	32.9%	32.5%	32.5%	32.5%	32.5%	32.5%		
Merchandise	**44.6**	**10.6**	**28.2**	**31.0**	**34.1**	**44.3**	**57.6**	**40.2%**	**5.4x**
% Sale of goods	66.8%	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%		
Third party	**190.4**	**202.0**	**237.6**	**279.7**	**316.6**	**345.7**	**378.0**	**13.3%**	**1.9x**
Y/Y		6.1%	17.6%	17.7%	13.2%	9.2%	9.3%		
% Revenues	29.4%	24.3%	23.3%	24.0%	24.1%	23.6%	23.6%		

Utilities	**1.6**	**2.2**	**2.5**	**2.8**	**3.1**	**3.4**	**3.6**	**10.6%**	**1.7x**
Y/Y		37.3%	16.5%	10.4%	10.4%	10.0%	6.1%		
% Revenues	0.2%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%		
% Sale of finished products	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%		
Transport	**6.9**	**7.8**	**9.1**	**10.1**	**11.1**	**12.2**	**13.0**	**10.6%**	**1.7x**
Y/Y		13.6%	16.5%	10.4%	10.4%	10.0%	6.1%		
% Revenues	1.1%	0.9%	0.9%	0.9%	0.8%	0.8%	0.8%		
% Sale of finished products	2.4%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%		
Repairs and maintenance	**2.4**	**3.1**	**3.6**	**3.9**	**4.3**	**4.8**	**5.1**	**15.2%**	**1.7x**
Y/Y		29.2%	16.5%	10.4%	10.4%	10.0%	6.1%		
% Revenues	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%		
% Sale of finished products	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%		
Impairment losses on trade receivables	**0.9**	**1.7**	**2.0**	**2.3**	**2.6**	**2.9**	**3.2**	**12.9%**	**1.8x**
% Revenues	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%		
Other operating expenses	**13.4**	**14.5**	**16.8**	**21.0**	**23.6**	**26.1**	**28.5**	**14.5%**	**2.0x**
Y/Y		8.7%	15.5%	25.3%	12.2%	10.7%	9.3%		
% Revenues	2.1%	1.7%	1.6%	1.8%	1.8%	1.8%	1.8%		
EBITDA	**77.6**	**125.5**	**135.1**	**154.8**	**173.0**	**193.2**	**207.8**	**10.6%**	**1.7x**
EBITDA margin	12.0%	15.1%	13.2%	13.3%	13.2%	13.2%	13.0%		

Source: Swiss Capital estimates

EBITDA

EBITDA growth is driven mainly by scale, with margin normalising close to management's 13% guidance after the unusually strong 2025 level.

For EAI standalone, we forecast EBITDA to increase from **RON 125.5m in 2025** to **RON 135.1m in 2026** and **RON 207.8m by 2030**, implying a **10.6% CAGR** over 2025-2030. The EBITDA margin is expected to normalise from the exceptionally strong **15.1% in 2025** to **13.2% in 2026**, and remaining close to 13% by **2030**. This trajectory remains broadly consistent with management's guidance that a **13% EBITDA margin** is sustainable, while also reflecting a more conservative cost base as the business scales.

The 2026 forecast is anchored in the company's public budget and in the cost structure visible in the 2025 annual report. We assume the margin decline versus 2025 is mainly driven by the higher personnel base and the normalisation of certain cost lines after an unusually strong 2025, rather than by a deterioration in the underlying business. Importantly, our forecast does not rely on margin expansion: EBITDA growth is driven primarily by revenue scale, with the standalone business moving from RON 832m of sales in 2025 to RON 1.02b in 2026 and RON 1.6b by 2030.

OPEX

Personnel costs rise as EAI internalises execution capacity, but the larger in-house platform should reduce reliance on third-party services over time.

Personnel expenses are the main source of structural cost growth. We forecast employee and collaborator costs to increase from **RON 80.1m in 2025** to **RON 130.0m in 2026** and **RON 215.9m by 2030**, reflecting the broader operating platform, annual salary increases and the internalisation of part of the execution capacity. In 2026, the step-up also reflects the enlarged workforce after the absorption of personnel from EASI reaching 565 employees. While this pushes personnel costs higher as a share of revenues, it should be viewed together with the expected moderation in third-party services, as more execution capacity is brought in-house.

Third-party costs remain material in EPC execution, but their weight is

Third-party service costs are forecast to increase more moderately, from **RON 202.0m in 2025** to **RON 237.6m in 2026** and **RON 378m by 2030**. As a share of revenues, we

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expected to stabilise as more delivery capacity is brought in-house.

estimate this line at around **23.3% in 2026**, broadly stable over the forecast period. This reflects the continued need for subcontractors in EPC projects, but also the partial offset from a larger internal execution base. In other words, the model assumes a gradual rebalancing between personnel and third-party costs, rather than a full substitution of external services.

Raw materials remain the largest cost line, moving broadly in line with finished-product sales and EPC execution.

Raw materials remain the largest operating cost line and are modelled as a function of the revenues that generate them. We forecast raw material costs to increase from **RON 386.3m in 2025** to **RON 457.0m in 2026** and **RON 691.8m by 2030**, broadly in line with the expansion of finished-product sales and EPC execution. For manufacturing-related inputs, we keep the raw material intensity broadly stable at around **59% of finished-product revenues**, while EPC-related materials are modelled at around **32-33% of EPC revenues**, consistent with the recent cost profile and without assuming a structural procurement gain.

Merchandise costs follow DOLI's tender-based sale-of-goods activity and remain volatile, reflecting the pass-through nature of this line.

Merchandise costs are tied to the DOLI sale-of-goods line and remain volatile by nature. We forecast merchandise expenses to increase from **RON 10.6m in 2025** to **RON 27.3m in 2026** and **RON 57.6m by 2030**, broadly following the expected recovery in international tender-based supply activity. Given the pass-through nature of this business, we model merchandise at around **two-thirds of sale-of-goods revenues**, broadly in line with the 2024-2026 cost-to-revenue profile. For the remaining cost lines, we keep assumptions deliberately simple.

Overall, our EAI standalone EBITDA forecast assumes solid execution and cost discipline, but not a major uplift in profitability. The margin normalises from the high 2025 level and stabilises close to 13%, while EBITDA growth comes mainly from revenue scale, internalised execution capacity and the gradual expansion of the manufacturing and EPC platform.

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Elcomex IEA

Elcomex IEA: Revenues & EBITDA

(RONm)	2010A	2011A	2012A	2013A	2014A	2015A	2010-2015 MED	2024A	2025E	2026E	2027E	2028E	2029E	2030E
Revenues	**80.4**	**157.0**	**290.4**	**108.3**	**98.7**	**102.6**	**105.4**	**35.6**	**39.4**	**84.5**	**120.1**	**232.3**	**236.9**	**241.7**
Revenues (EURm)	**19.1**	**37.1**	**65.2**	**24.5**	**22.2**	**23.1**	**23.8**	**7.2**	**7.8**	**16.3**	**23.0**	**44.3**	**44.8**	**45.4**
Y/Y		95.4%	85.0%	-62.7%	-8.8%	3.9%		82.6%	10.6%	114.4%	42.1%	93.4%	2.0%	2.0%
Other operating income (expense)	-0.3	4.1	-0.3	3.5	7.3	4.7		0.0	0.4	1.5	1.8	2.9	3.0	3.1
Employees	**23.9**	**26.3**	**34.6**	**36.8**	**34.3**	**30.2**		**21.6**	**27.0**	**37.6**	**51.8**	**67.0**	**70.2**	**73.3**
Y/Y		10.2%	31.3%	6.3%	-6.8%	-12.1%			24.8%	39.3%	37.7%	29.3%	4.8%	4.5%
% Revenues	29.7%	16.8%	11.9%	34.0%	34.8%	29.4%	**29.6%**	60.7%	68.5%	44.5%	43.1%	28.8%	29.6%	30.3%
Salaries	18.8	20.7	27.1	28.8	27.0	24.3		21.1	26.3	36.6	50.5	65.2	68.4	71.4
Avg no. of employees	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		232	262	332	432	532	532	532
Δ Employees (Y/Y change)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			30	70	100	100	0	0
Average montly gross salary	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		7,575	8,370	9,199	9,733	10,219	10,710	11,192
Y/Y	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			10.5%	9.9%	5.8%	5.0%	4.8%	4.5%
Social security contributions	5.2	5.6	7.5	8.0	7.3	5.9		0.6	0.7	1.0	1.3	1.7	1.8	1.9
% Salaries	27.5%	27.3%	27.8%	27.8%	27.1%	24.2%		2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%
Raw materials and consumables	**25.7**	**37.6**	**139.5**	**27.7**	**27.5**	**40.0**		**4.4**	**4.0**	**10.8**	**25.7**	**69.5**	**70.9**	**72.3**
Y/Y		46.4%	271.2%	-80.2%	-0.5%	45.1%			-8.7%	169.9%	137.2%	171.0%	2.0%	2.0%
% Revenues	31.9%	23.9%	48.0%	25.6%	27.9%	39.0%	**29.9%**	12.3%	10.2%	**12.8%**	**21.4%**	**29.9%**	**29.9%**	**29.9%**
Other operating expenses	**23.2**	**86.7**	**87.9**	**36.9**	**37.1**	**32.4**		**9.2**	**15.9**	**33.8**	**39.5**	**76.4**	**77.9**	**79.5**
Y/Y		273.1%	1.5%	-58.0%	0.4%	-12.4%			73.5%	112.2%	16.8%	93.4%	2.0%	2.0%
% Revenues	28.9%	55.2%	30.3%	34.1%	37.5%	31.6%	**32.9%**	25.8%	40.5%	**40.0%**	**32.9%**	**32.9%**	**32.9%**	**32.9%**
Third parties	**n.a**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**			**14.0**	**29.9**	**34.0**	**65.7**	**67.0**	**68.4**
% Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			35.4%	35.4%	28.3%	28.3%	28.3%	28.3%
Other operating expenses	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**			**2.0**	**3.1**	**4.4**	**8.6**	**8.8**	**8.9**
% Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			5.0%	3.7%	3.7%	3.7%	3.7%	3.7%
Provisions	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**			**-33.1**	**0.8**	**1.1**	**2.1**	**2.1**	**2.2**
% Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			-84.0%	0.9%	0.9%	0.9%	0.9%	0.9%
EBITDA	**7.2**	**10.5**	**28.2**	**10.4**	**7.1**	**4.7**	**8.8**	**0.4**	**-7.2**	**3.7**	**5.0**	**22.3**	**20.9**	**19.6**
EBITDA margin	9.0%	6.7%	9.7%	9.6%	7.2%	4.5%	**8.1%**	1.2%	n.m.	4.4%	4.1%	9.6%	8.8%	8.1%

Source: EMIS; Elcomex IEA; Swiss Capital estimates

Elcomex is modelled as a gradual turnaround, not a rapid post-acquisition recovery.

Elcomex IEA is consolidated from Q3 2026 and is modelled separately, given its different business profile, recent loss-making base and exposure to large, competitive public-sector infrastructure contracts. The company entered insolvency proceedings in April 2017, following historical intra-group transactions, deteriorating margins on EPC projects and reduced access to bank financing, and exited the process on 1 November 2023 after completing its reorganisation plan. Historically, Elcomex has delivered projects for Nuclearelectrica, Transelectrica, Enel, Rompetrol, Metrorex and other reference clients, with a meaningful part of its activity linked to Nuclearelectrica and complex electrical works in the energy sector.

The strategic rationale for the acquisition remains clear, but we treat the recovery cautiously. Romania's nuclear investment pipeline provides a medium- to long-term opportunity set for specialised electrical contractors, particularly through the refurbishment of Cernavoda Unit 1. However, the Unit 1 refurbishment should not be viewed as a material 2026 revenue driver, as the project remains in the preparation-for-implementation phase, with the effective shutdown / implementation phase expected to start towards the end of 2027 and recommissioning targeted for 2030. Separately, Unit 3 & 4 and SMR-related works represent longer-dated optionality rather than a base-case driver at this stage.

2026 is treated as a transition year, with sales recovering but margins still well below normalised levels.

Given the limited public visibility into Elcomex's current order book, contract conversion and detailed recovery plan, our forecast is anchored largely in the company's pre-insolvency operating profile, adjusted for recent developments and the expected integration into EAI's platform. **Elcomex's 2025 performance was weak** and below our previous expectations, confirming that the post-insolvency turnaround remains slow. The company generated an estimated **RON 39.4m** in net sales and negative EBITDA of **RON 7.2m**, reflecting limited scale, weak absorption of the cost base and still-insufficient contract conversion.

The larger nuclear contribution is expected only from 2028 onwards, linked mainly to the Unit 1 refurbishment pipeline.

On a 100% basis, we forecast Elcomex revenues to increase to **RON 84.0m in 2026**, but EBITDA to turn positive at **RON 3.7m**, reflecting a transition year, the rebuilding of execution capacity and limited visibility on near-term contract margins. The sales ramp-up is expected to be driven by a mix of **nuclear-related works, stations and substations, civil works for renewable capacities, other civil construction and maintenance works, and industrial construction**. We expect the larger nuclear contribution to become more visible from 2028 onwards, most likely linked to the Unit 1 refurbishment pipeline, while substations, renewables-related civil works and maintenance provide additional support to the recovery path.

Our margin assumptions remain anchored in Elcomex's pre-insolvency profitability, with 2027-2030 EBITDA margin averaging close to 8%.

By 2028, we forecast revenues of **RON 232m** and an EBITDA margin of **9.6%**, before margins ease towards **8% by 2030**. On average, over 2027-2030, the EBITDA margin is close to **8%**, broadly in line with Elcomex's pre-insolvency median EBITDA margin over 2010-2015. We view this as a cautious approach, as it does not assume a structurally higher post-acquisition profitability level, while still leaving room for upside if EAI improves procurement, project management and execution discipline.

Upside depends on EAI's ability to improve execution, procurement and project discipline, but contract conversion remains tender-driven and relationship-sensitive.

Overall, the opportunity remains relationship- and qualification-sensitive. Elcomex's sales potential depends partly on its long-standing relationship with Nuclearelectrica and other state-owned infrastructure clients, but public-sector and nuclear-related contracts remain tender-driven, competitive and subject to technical qualification, pricing, execution track record and procurement decisions.

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Spiact Craiova

Spiact Craiova: Revenues & EBITDA

(RONm)	2020A	2021A	2022A	2023A	2024A	2025A	2020-2025 MED	2026E	2027E	2028E	2029E	2030E
Revenues	**23.2**	**38.2**	**27.6**	**29.8**	**51.3**	**43.3**	**34.0**	**117.6**	**146.0**	**124.1**	**127.8**	**131.7**
Revenues (EURm)	**4.7**	**7.7**	**5.6**	**6.0**	**10.3**	**8.5**	**6.0**	**22.7**	**28.0**	**23.6**	**24.2**	**24.7**
Y/Y		64.5%	-27.7%	8.0%	72.0%	-15.6%		171.6%	24.1%	-15.0%	3.0%	3.0%
Other operating income (expense)	0.5	0.3	0.8	2.8	4.4	4.2		4.5	5.6	4.8	4.9	5.1
Employees	**1.6**	**2.1**	**2.9**	**3.7**	**5.5**	**6.8**		**10.5**	**12.4**	**13.1**	**13.7**	**14.3**
Y/Y		31.3%	34.9%	28.1%	48.7%	22.8%		55.7%	18.2%	5.0%	4.8%	4.5%
% Revenues	7.0%	5.6%	10.5%	12.4%	10.7%	15.6%	**10.6%**	8.9%	8.5%	10.5%	10.7%	10.9%
Salaries	1.6	2.1	2.8	3.6	5.3	6.5		10.1	12.0	12.6	13.2	13.8
Avg no. of employees	29	36	41	44	53	60		85	95	95	95	95
Δ Employees (Y/Y change)		7	5	3	9	7		25	10	0	0	0
Average montly gross salary	4,527	4,747	5,658	6,759	8,339	9,033		9,927	10,503	11,028	11,558	12,078
Y/Y		4.9%	19.2%	19.5%	23.4%	8.3%		9.9%	5.8%	5.0%	4.8%	4.5%
Social security contributions	0.1	0.1	0.1	0.1	0.2	0.3		0.4	0.5	0.5	0.5	0.5
% Salaries	3.6%	4.5%	3.8%	3.7%	3.8%	3.9%		3.9%	3.9%	3.9%	3.9%	3.9%
Raw materials and consumables	**4.7**	**8.7**	**10.5**	**10.6**	**9.1**	**15.9**		**34.2**	**42.4**	**36.0**	**37.1**	**38.2**
Y/Y		84.3%	21.0%	0.9%	-14.2%	74.9%		115.4%	24.1%	-15.0%	3.0%	3.0%
% Revenues	20.2%	22.6%	37.9%	35.4%	17.7%	**36.6%**	**29.0%**	**29.0%**	**29.0%**	**29.0%**	**29.0%**	**29.0%**
Other operating expenses	**15.2**	**24.8**	**12.5**	**16.2**	**33.2**	**22.1**		**64.4**	**80.0**	**68.0**	**70.0**	**72.1**
Y/Y		62.3%	-49.3%	29.5%	104.2%	-33.3%		191.1%	24.1%	-15.0%	3.0%	3.0%
% Revenues	65.6%	64.8%	45.4%	54.5%	64.7%	51.1%	**59.6%**	**54.8%**	**54.8%**	**54.8%**	**54.8%**	**54.8%**
Third parties	**n.a.**	**n.a.**	**12.1**	**16.2**	**31.2**	**20.3**		**59.5**	**73.8**	**62.8**	**64.6**	**66.6**
% Sales	n.a.	n.a.	43.7%	54.2%	60.7%	46.9%	**50.6%**	**50.6%**	**50.6%**	**50.6%**	**50.6%**	**50.6%**
Other operating expenses	**n.a.**	**n.a.**	**0.5**	**0.1**	**2.0**	**1.8**		**5.0**	**6.2**	**5.2**	**5.4**	**5.6**
% Sales	n.a.	n.a.	1.7%	0.2%	3.9%	4.2%	**2.8%**	**4.2%**	**4.2%**	**4.2%**	**4.2%**	**4.2%**
Provisions	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**		**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**
% Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	**2.1**	**3.0**	**2.5**	**2.1**	**8.0**	**2.8**	**2.6**	**13.0**	**16.8**	**11.8**	**11.9**	**12.1**
EBITDA margin	9.2%	7.8%	9.0%	7.0%	15.6%	6.4%	**8.4%**	11.1%	11.5%	9.5%	9.3%	9.2%

Source: EMIS; Swiss Capital estimates

Spiact enters 2026 with one of its strongest order books to date, underpinned by RON 355m in new long-cycle railway rehabilitation contracts awarded in 2025 – Lot 4 (RON 213m) and Lot 6 (RON 142m) – both starting in 2026 and running for five years.

Beyond these new awards and high-potential tenders, Spiact holds more than RON 150m in legacy contracts now entering full execution across 2026–2027.

Spiact Craiova is consolidated from **Q2 2026** and modelled separately, given its specialised railway-infrastructure profile and stronger backlog visibility. The company is active in signalling, centralisation, remote-control and rail-traffic supervision systems, as well as related integration and maintenance services, positioning it in a regulated niche with higher entry barriers than standard EPC works.

Spiact enters the forecast period with solid visibility, supported by two major contracts signed in 2025 for the rehabilitation of the Craiova-Drobeta Turnu Severin-Caransebes railway line, part of the **Orient/East-Mediterranean Corridor**. The two key awards are Lot 4, covering the Drobeta Turnu Severin-Baile Herculane section, with a value of **RON 213m** for Spiact, and Lot 6, from Po Nou Poarta to Caransebes, adding **RON 142m**. Both contracts begin execution in 2026 and have multi-year implementation periods, providing an important base for the **2026-2028 revenue ramp-up**.

In addition to these awards, Spiact has more than **RON 150m** of legacy contracts entering fuller execution across **2026-2027**, including works on the Caransebes-

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Timisoara-Arad corridor, Fetesti and Ciulnita stations on the Bucuresti-Constanta line, the Timisoara Airport rail link, the refurbishment of Dej station and the Port of Constanta railway upgrade at Valu lui Traian. Taken together, these projects provide a visible revenue base and support a materially higher level of activity from 2026 onwards.

In our model, Spiact revenues increase to **RON 117m in 2026** and to **RON 146m in 2027**, driven mainly by the execution of already awarded contracts and legacy backlog. We then forecast a normalisation from 2028 onwards, with revenues stabilising around **RON 130m** over **2028-2030**. This reflects the natural run-off of the initial backlog-driven ramp-up and avoids extrapolating the **2026-2027** growth spike without confirmed additional awards.

We maintain margins below the 2024 level, reflecting the tender-driven nature of the business, the larger execution base and higher personnel requirements. Over **2026-2030**, the median EBITDA margin stands at **9.5%**, above the previous-period median of around **8.4%**, which we view as reasonable given the stronger backlog visibility and the scale benefits from integration into EAI's broader platform. This assumes that backlog supports scale and operating leverage in the near term, but that competitive pressure, subcontractor use and wage inflation prevent a sustained return to peak profitability.

We view Spiact's post-2027 revenue base as a **normalised platform rather than a one-off peak**, supported by Romania's multi-year railway modernisation cycle and by EU transport policy. The opportunity is underpinned by three structural pillars. First, the EU rail-modernisation agenda remains sizeable, with the TEN-T Core and Comprehensive Networks covering more than **138,000 km** of railway lines and ERTMS deployment requiring upgrades across more than **50,000 km**, with investment needs above **EUR 100b** through 2050. Second, Romania's rail network remains under-modernised, with only around **38%** of its c. **10,600 km** network electrified and **40-45%** double-tracked, leaving significant needs in line upgrades, stations, nodes and control systems. Third, Romania's position on key European freight routes, including the **Orient-East-Med** and **Rhine-Danube** corridors, supports a long-term pipeline for signalling, safety, traffic-management and station-modernisation works. However, conversion into Spiact revenues remains **tender-driven** and dependent on consortium participation, award timing, execution capacity and public-sector procurement decisions.

Alfa Factory Software

Launched in January 2025, Alfa Factory Software operates as a dedicated vehicle for industrial digitalisation and process optimisation. For 2025, the company posted sales of RON 0.82m and a negative EBIT of RON 0.22m. Given the early stage of activity and its immaterial contribution to the Group's results, we do not extend the model with separate forecasts for 2026-2030. The business may turn profitable as its activity widens, yet any improvement is unlikely to influence the consolidated outcome in a meaningful way over the forecast horizon.

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Financial summary

Electro-Alfa International: P&L (IFRS consolidated)

(RONm)	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Net turnover	**259.2**	**435.8**	**648.4**	**832.2**	**1,150.5**	**1,432.3**	**1,670.1**	**1,827.2**	**1,976.0**
Y/Y		*68.1%*	*48.8%*	*28.3%*	*38.2%*	*24.5%*	*16.6%*	*9.4%*	*8.1%*
Electro Alfa International	259.2	435.8	648.4	832.2	1,020.1	1,166.2	1,313.8	1,462.5	1,602.6
Elcomex	-	-	-	-	42.3	120.1	232.3	236.9	241.7
Spiact	-	-	-	-	88.2	146.0	124.1	127.8	131.7
Other operating income	1.8	1.4	1.5	1.7	7.7	9.2	9.5	9.8	10.0
OPEX	**(236.9)**	**(393.6)**	**(582.7)**	**(719.1)**	**(1,021.5)**	**(1,281.0)**	**(1,494.1)**	**(1,636.7)**	**(1,774.6)**
Employees benefits	(24.2)	(34.8)	(53.1)	(80.1)	(156.7)	(208.9)	(247.0)	(274.7)	(303.5)
Raw materials and merchandise	(121.4)	(230.0)	(303.7)	(396.9)	(516.2)	(616.7)	(719.9)	(793.3)	(860.0)
Third parties	(70.8)	(105.7)	(190.4)	(202.0)	(297.2)	(387.5)	(445.0)	(477.4)	(513.0)
D&A	(7.7)	(8.7)	(10.4)	(10.8)	(11.9)	(16.1)	(21.6)	(25.8)	(28.0)
Other operating expenses	(12.8)	(14.5)	(25.1)	(29.3)	(39.7)	(51.8)	(60.6)	(65.7)	(70.0)
EBITDA	**31.7**	**52.3**	**77.6**	**125.5**	**146.7**	**176.6**	**207.1**	**226.0**	**239.4**
EBITDA margin	*12.2%*	*12.0%*	*12.0%*	*15.1%*	*12.8%*	*12.3%*	*12.4%*	*12.4%*	*12.1%*
Electro Alfa International	31.7	52.3	77.6	125.5	135.1	154.8	173.0	193.2	207.8
Elcomex	-	-	-	-	1.9	5.0	22.3	20.9	19.6
Spiact	-	-	-	-	9.8	16.8	11.8	11.9	12.1
EBIT	**24.0**	**43.5**	**67.3**	**114.8**	**134.8**	**160.5**	**185.5**	**200.2**	**211.4**
Net financial result, o/w	**(1.2)**	**(1.2)**	**(2.1)**	**(2.1)**	**(5.1)**	**(0.8)**	**4.3**	**5.0**	**5.7**
Dividend income SGB - Alfa JV	-	-	-	-	-	-	4.9	5.9	6.5
Dividend income Electro Alfa CM	-	-	-	-	-	-	0.3	0.7	0.6
EBT	**22.8**	**42.3**	**65.2**	**112.7**	**129.8**	**159.7**	**189.9**	**205.2**	**217.1**
Income tax	(2.7)	(4.5)	(7.7)	(12.9)	(15.1)	(19.4)	(18.0)	(19.0)	(20.1)
Net profit	**20.1**	**37.9**	**57.4**	**99.7**	**114.7**	**140.3**	**171.9**	**186.2**	**197.0**
Net profit margin	7.7%	8.7%	8.9%	12.0%	10.0%	9.8%	10.3%	10.2%	10.0%
Attributable to owners	**20.1**	**37.9**	**57.4**	**99.7**	**111.0**	**134.0**	**167.9**	**182.4**	**193.3**
Attributable to NCI	-	-	-	-	3.7	6.3	4.0	3.8	3.8

Source: Electro - Alfa International; Swiss Capital estimates

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Electro-Alfa International: P&L (IFRS standalone)

(RONm)	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Net turnover	**259.2**	**435.8**	**648.4**	**832.2**	**1,020.1**	**1,166.2**	**1,313.8**	**1,462.5**	**1,602.6**
Y/Y		*68.1%*	*48.8%*	*28.3%*	*22.6%*	*14.3%*	*12.6%*	*11.3%*	*9.6%*
Other operating income	1.8	1.4	1.5	1.7	1.7	1.8	1.8	1.8	1.9
OPEX	**(236.9)**	**(393.6)**	**(582.7)**	**(719.1)**	**(897.7)**	**(1,027.0)**	**(1,160.2)**	**(1,291.5)**	**(1,418.5)**
Employees benefits	(24.2)	(34.8)	(53.1)	(80.1)	(130.0)	(144.7)	(167.0)	(190.8)	(215.9)
Raw materials and merchandise	(121.4)	(230.0)	(303.7)	(396.9)	(485.2)	(548.7)	(614.3)	(685.2)	(749.5)
Third parties	(70.8)	(105.7)	(190.4)	(202.0)	(237.6)	(279.7)	(316.6)	(345.7)	(378.0)
Utilities	(1.0)	(1.1)	(1.6)	(2.2)	(2.5)	(2.8)	(3.1)	(3.4)	(3.6)
Transport	(3.1)	(3.5)	(6.9)	(7.8)	(9.1)	(10.1)	(11.1)	(12.2)	(13.0)
Repairs, maintenance and materials	(1.1)	(1.7)	(2.4)	(3.1)	(3.6)	(3.9)	(4.3)	(4.8)	(5.1)
D&A	(7.7)	(8.7)	(10.4)	(10.8)	(11.0)	(13.8)	(17.6)	(20.4)	(21.8)
Impairment losses on receivables	(2.3)	(0.9)	(0.9)	(1.7)	(2.0)	(2.3)	(2.6)	(2.9)	(3.2)
Other operating expenses	(5.4)	(7.4)	(13.4)	(14.5)	(16.8)	(21.0)	(23.6)	(26.1)	(28.5)
EBITDA	**31.7**	**52.3**	**77.6**	**125.5**	**135.1**	**154.8**	**173.0**	**193.2**	**207.8**
EBITDA margin	*12.2%*	*12.0%*	*12.0%*	*15.1%*	*13.2%*	*13.3%*	*13.2%*	*13.2%*	*13.0%*
EBIT	**24.0**	**43.5**	**67.3**	**114.8**	**124.1**	**141.0**	**155.4**	**172.8**	**186.0**
Net financial result, o/w	**(1.2)**	**(1.2)**	**(2.1)**	**(2.1)**	**(5.1)**	**(0.8)**	**4.3**	**5.0**	**5.7**
Dividend income	-	-	-	-	-	-	5.3	6.7	7.1
EBT	**22.8**	**42.3**	**65.2**	**112.7**	**119.0**	**140.2**	**159.7**	**177.8**	**191.7**
Income tax	(2.7)	(4.5)	(7.7)	(12.9)	(13.4)	(16.3)	(13.1)	(14.6)	(16.0)
Net profit	**20.1**	**37.9**	**57.4**	**99.7**	**105.6**	**123.9**	**146.6**	**163.2**	**175.7**
Net profit margin	7.7%	8.7%	8.9%	12.0%	10.4%	10.6%	11.2%	11.2%	11.0%

Source: Electro - Alfa International; Swiss Capital estimates

Electro-Alfa International: Balance Sheet (IFRS consolidated)

(RONm)	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Intangible assets	4.2	4.7	3.7	5.3	9.2	13.1	12.9	12.4	11.5
Goodwill Elcomex	-	-	-	-	34.8	34.8	34.8	34.8	34.8
Goodwill Spiact	-	-	-	-	28.8	28.8	28.8	28.8	28.8
Property, plant and equipment	52.5	51.7	74.6	78.1	106.0	181.1	244.1	270.5	258.8
Equity investments	0.0	0.0	0.2	0.2	21.0	21.0	21.0	21.0	21.0
Loans granted to related parties	1.6	0.9	5.0	96.3	57.2	19.6	4.4	5.6	6.0
Guarantees receivables	1.5	6.3	7.7	2.1	2.6	3.1	3.5	3.9	4.4
Non-current receivables	-	11.4	20.1	-	-	-	-	-	-
Deferred tax assets	1.6	1.7	2.2	4.0	4.0	4.0	4.0	4.0	4.0
Right-of-use assets	3.2	4.2	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Total non-current assets	**64.5**	**80.9**	**121.6**	**209.8**	**287.4**	**329.3**	**377.4**	**404.9**	**393.2**
Inventory	29.4	35.2	41.7	46.1	89.9	107.6	124.2	134.0	143.6
Contract assets	3.8	6.5	6.3	16.6	20.7	24.7	28.5	31.7	35.3
Trade receivables	91.5	115.4	106.8	305.9	287.4	347.5	415.4	460.5	504.6
Prepayments	2.3	6.2	7.1	31.7	38.9	44.4	50.1	55.7	61.1
Loans granted to related parties	2.5	4.8	6.8	5.2	2.8	41.7	18.3	0.4	0.2
Other receivables	1.0	1.3	1.6	1.3	1.6	1.8	2.1	2.3	2.5
Restricted cash				2.9	2.9	2.9	2.9	2.9	2.9
Cash and cash equivalents	30.6	83.3	87.9	76.0	696.4	704.3	774.1	892.3	1,037.6
Total current assets	**161.1**	**252.6**	**258.2**	**485.6**	**1,140.6**	**1,274.9**	**1,415.4**	**1,579.8**	**1,787.7**
Total assets	**225.6**	**333.5**	**379.7**	**695.5**	**1,428.0**	**1,604.3**	**1,792.8**	**1,984.6**	**2,180.8**
Share capital	0.6	0.6	0.6	30.6	47.1	47.1	47.1	47.1	47.1
Legal reserves	0.1	0.1	0.1	5.6	5.6	5.6	5.6	5.6	5.6
Other reserves	52.3	56.4	57.9	29.4	561.1	561.1	561.1	561.1	561.1
Retained earnings	25.0	54.1	90.9	144.1	255.1	357.3	488.1	626.5	770.8
Total equity attributable to owners	**78.1**	**111.2**	**149.6**	**209.8**	**868.9**	**971.2**	**1,101.9**	**1,240.4**	**1,384.7**
Non-controlling interests				0.4	29.8	35.0	37.1	39.7	42.3
Total equity	**78.1**	**111.2**	**149.6**	**210.2**	**898.7**	**1,006.2**	**1,139.0**	**1,280.1**	**1,427.0**
Long-term bank borrowings	30.3	26.8	44.0	47.3	78.0	81.8	76.1	68.0	64.7
Lease liabilities	2.8	3.9	7.2	6.5	6.5	6.5	6.5	6.5	6.5
Subsidies	2.6	2.9	2.7	2.6	2.6	2.6	2.6	2.6	2.6
Provisions	5.5	5.4	7.1	9.0	9.0	9.0	9.0	9.0	9.0
Performance guarantees	2.0	4.2	9.5	18.4	25.3	30.2	34.8	38.8	43.1
Total non-current liabilities	**43.1**	**43.2**	**70.5**	**83.7**	**121.3**	**130.0**	**129.0**	**124.9**	**125.9**
Short-term bank borrowings	7.1	3.3	12.8	49.6	15.8	6.7	6.3	8.6	3.8
Lease liabilities	1.5	1.8	2.8	3.7	3.7	3.7	3.7	3.7	3.7
Trade payables	69.1	124.5	79.4	183.3	215.0	251.8	283.1	309.7	335.7
Contract liabilities	8.6	33.5	23.3	58.7	73.0	87.2	100.5	111.9	124.6
Current income tax liabilities	3.1	0.8	1.8	7.0	12.7	15.0	16.0	17.4	18.8
Subsidies	0.3	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Provisions	2.0	1.9	3.5	3.7	5.6	7.8	10.4	13.3	16.4
Employee benefits	3.4	7.0	12.9	24.4	23.8	27.6	31.4	34.9	37.8
Dividends payable	3.6	0.3	13.3	36.0	-	-	-	-	-
Performance guarantees withheld from suppliers	1.5	0.9	1.7	1.7	2.2	2.6	3.0	3.3	3.7
Other payables	4.3	4.5	7.9	33.1	56.1	65.6	70.3	76.9	83.3
Total current liabilities	**104.4**	**179.1**	**159.7**	**401.5**	**408.0**	**468.1**	**524.8**	**579.7**	**627.9**
Total liabilities	**147.5**	**222.3**	**230.2**	**485.3**	**529.3**	**598.1**	**653.8**	**704.5**	**753.8**

Source: Electro - Alfa International; Swiss Capital estimates

Electro-Alfa International: Cash Flow (IFRS consolidated)

(RONm)	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Profit before taxes	22.8	42.3	65.2	112.7	129.8	159.7	189.9	205.2	217.1
(-) Income tax	(0.8)	(7.3)	(7.2)	(9.5)	(15.1)	(19.4)	(18.0)	(19.0)	(20.1)
(+) D&A	7.7	8.7	10.4	10.8	11.9	16.1	21.6	25.8	28.0
(+) Δ Provisions	0.3	0.3	0.4	0.6	0.7	0.8	0.9	1.0	1.2
(+) Net impairment losses on receivables and inventory	2.5	1.3	2.1	1.6	1.9	2.2	2.6	2.9	3.2
(-) Finacial (income) expense	0.8	0.1	0.8	(0.4)	0.1	(2.5)	(1.9)	(1.5)	(2.0)
(-) Gain on disposal of fixed assets	(0.2)	(0.1)	-	(0.1)	-	-	-	-	-
(-) Dividends received from equity investments	-	-	-	-	-	-	(5.3)	(6.7)	(7.1)
(-) Interest paid	(1.2)	(1.2)	(1.8)	(2.5)	(3.2)	(3.2)	(3.2)	(3.1)	(3.0)
(-) (Increase) / Decrease in working capital	(6.1)	43.4	(39.1)	(68.8)	67.1	(16.2)	(35.3)	(10.8)	(9.2)
Cash flow from operations	**25.9**	**87.6**	**30.7**	**44.4**	**193.2**	**137.6**	**151.3**	**193.8**	**208.1**
Payments for PPE	(2.6)	(6.7)	(29.5)	(12.2)	(25.6)	(95.0)	(84.4)	(51.6)	(15.4)
Loans granted to related parties, o/w	(3.2)	(5.1)	(5.8)	(64.7)	-	-	-	-	-
Loans collected from related parties, o/w	1.1	4.1	0.4	2.4	43.8	0.4	40.0	17.1	-
Interest collected from related parties	0.0	0.5	0.4	0.6	2.4	1.8	1.2	0.4	0.2
Payments of contributions to joint real estate projects	-	(11.4)	(8.7)	(4.7)	-	-	-	-	-
Payments for acquisition of shares, o/w	-	-	(0.2)	(0.5)	(20.8)	-	-	-	-
Proceeds from sale of fixed assets	0.2	0.1	-	0.1	-	-	-	-	-
Payments for Elcomex acquisition (51%)	-	-	-	-	(52.4)	-	-	-	-
Payments for Spiact acquisition (51%)	-	-	-	-	(26.7)	-	-	-	-
Dividends received from equity investments	-	-	-	-	-	-	5.3	6.7	7.1
Cash flow from investing	**(4.5)**	**(17.6)**	**(43.4)**	**(79.0)**	**(79.3)**	**(92.8)**	**(38.0)**	**(27.5)**	**(8.1)**
Cash surplus (deficit) generated before financing	**21.4**	**70.0**	**(12.7)**	**(34.6)**	**113.8**	**44.8**	**113.3**	**166.4**	**199.9**
Proceeds (repayment) of bank loans	(1.4)	(7.3)	26.6	38.7	(5.5)	(4.1)	(4.5)	(2.9)	(4.6)
Proceeds (repayment) of lease liabilities	(1.5)	(2.1)	(2.7)	(3.1)	-	-	-	-	-
Equity changes					548.1	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	(1.1)	(1.9)	(1.2)	(1.1)
Dividends paid to owners of the parent	(0.4)	(7.5)	(6.2)	(13.7)	(36.0)	(31.7)	(37.2)	(44.0)	(48.9)
Cash flow from financing	**(3.3)**	**(16.9)**	**17.7**	**21.9**	**506.6**	**(37.0)**	**(43.5)**	**(48.1)**	**(54.7)**
Total change in cash	**18.1**	**53.1**	**5.0**	**(12.7)**	**620.4**	**7.8**	**69.8**	**118.2**	**145.2**
Cash Balance - Beginning of Period	12.5	30.6	83.3	87.9	76.0	696.4	704.3	774.1	892.3
Cash Balance - End of Period	**30.6**	**83.3**	**87.9**	**76.0**	**696.4**	**704.3**	**774.1**	**892.3**	**1,037.6**

Source: Electro - Alfa International; Swiss Capital estimates

Electro-Alfa International: Key Ratios (IFRS consolidated)

	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Profitability									
ROAA	-	13.5%	16.1%	18.6%	10.8%	9.3%	10.1%	9.9%	9.5%
ROAE	-	40.0%	44.0%	55.5%	20.6%	14.6%	16.2%	15.6%	14.7%
Asset management									
Days of Inventory	47	33	27	24	32	31	31	30	30
Days of Receivable	129	97	60	134	91	89	91	92	93
Days of Guarantees receivable	6	13	9	2	2	2	2	2	2
Days of Contract assets	16	13	8	17	17	17	17	17	17
Days of Payable	110	118	51	94	78	73	70	70	70
Days of Guarantees payable	4	5	10	15	15	15	15	15	15
Days of Contract liabilities	36	68	29	59	59	59	59	59	59
Leverage and liquidity									
Leverage (Total liab/Equity)	1.9	2.0	1.5	2.3	0.6	0.6	0.6	0.6	0.5
Gearing (Net debt/Equity)	0.1	-0.4	-0.1	0.1	-0.7	-0.6	-0.6	-0.6	-0.7
Net debt/EBITDA	0.3	-0.9	-0.3	0.2	-4.4	-3.9	-3.9	-4.2	-4.6
Quick ratio	1.3	1.2	1.4	1.1	2.6	2.5	2.5	2.5	2.6
Payout ratio	21%	50%	69%	0%	30%	30%	30%	30%	30%

Source: Electro Alfa International; Swiss Capital estimates

Electro-Alfa International: Valuation Multiples (IFRS consolidated)

	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
EPS (total, RON/share)	0.11	0.20	0.30	0.53	0.61	0.74	0.91	0.99	1.05
EPS (owners, RON/share)	0.11	0.20	0.30	0.53	0.59	0.71	0.89	0.97	1.03
DPS (RON/share)	0.02	0.10	0.21	0.00	0.17	0.20	0.23	0.26	0.28
BVPS owners (RON /share)	0.41	0.59	0.79	1.11	4.61	5.15	5.84	6.58	7.34
Multiples @ Market Price									
P/E	n.m.	71.4x	47.1x	27.1x	24.4x	20.2x	16.1x	14.8x	14.0x
P/B	34.6x	24.3x	18.1x	12.9x	3.1x	2.8x	2.5x	2.2x	2.0x
EV/EBITDA	70.8x	43.0x	28.9x	17.9x	15.3x	12.7x	10.8x	9.9x	9.4x
P/Sales	10.4x	6.2x	4.2x	3.2x	2.4x	1.9x	1.6x	1.5x	1.4x
Dividend yield	0.2%	0.7%	1.5%	0.0%	1.2%	1.4%	1.6%	1.8%	1.9%
Multiples @ Target Price*									
P/E	n.m.	72.0x	47.5x	27.3x	24.6x	20.4x	16.2x	14.9x	14.1x
P/B	34.9x	24.5x	18.2x	13.0x	3.1x	2.8x	2.5x	2.2x	2.0x
EV/EBITDA	71.5x	43.4x	29.2x	18.1x	15.5x	12.8x	10.9x	10.0x	9.5x
P/Sales	10.5x	6.3x	4.2x	3.3x	2.4x	1.9x	1.6x	1.5x	1.4x
Dividend yield	0.2%	0.7%	1.5%	0.0%	1.2%	1.4%	1.6%	1.8%	1.9%

Source: Electro-Alfa International; Swiss Capital estimates

DISCLOSURE SECTION

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A "**STRONG BUY**" recommendation indicates that upside is more than 30%.

A "**BUY**" recommendation indicates that upside is between 15% and 30%.

A "**NEUTRAL**" recommendation indicates that upside or downside is less than 15%.

A "**SELL**" recommendation indicates that downside is more than 15%.

A "**STRONG SELL"** recommendation indicates that downside is more than 30%.

Company Specific Regulatory Disclosures

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Mentioned companies

Company	BSE	Rating	Price	Price date	Disclosure
Electro-Alfa International	EAI	NEUTRAL	14.34	16/07/2026	NONE

Rating history for Electro-Alfa International

Date	Rating	Share Price (RON)	Target Price (RON)
17/07/2026	Initiation of coverage – NEUTRAL	14.34	14.5

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